

# Purchasing Week

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\$6 A YEAR U. S. AND CANADA \$25 A YEAR FOREIGN

## 'Dirty Hands' Conferences Pare Defense Costs



### World Perspective From Atop Cape Cod

By DEXTER M. KEEZER  
Economist, Educator, Author,  
McGraw-Hill Economic Advisor

Truro, Mass.—I am impressed by the prospect that four or five hundred of my fellow citizens will be killed in automobile smash-ups on the highways over the long Labor Day weekend. (Last year the Labor Day weekend total was 415.)

But I am much more impressed by the prospect that up toward 100-million people will get on the highways in automobiles over this weekend, go somewhere and get back where they started with themselves and their automobiles intact.

Doesn't this really border on the miraculous? On the roads, among others, there will be throngs of submorons driving what, along with their more charming characteristics, are mighty engines of destruction at speeds of 50 to 75 miles an hour, often virtually bumper to bumper. And only four or five hundred will end up in the morgue.

What an occasion for good cheer about the prospects of the human race for successful survival against what are often made to seem overwhelming odds! What a happy augury for ultimate peace on earth and good will toward men so tough and adjustable they cannot be destroyed. And what an opportunity for some news editor, with the deep sense of perspective I am exhibiting, to come out with a post Labor Day headline:

### 100-MILLION GOT THERE SAFELY; ONLY 475 KILLED ON HIGHWAYS

I don't go along with a semi-pro psychologist friend of mine who contends that by bearing down so heavily and continuously on the killings on the highways, prospective and in process, the National Safety Council promotes the fulfillment or exceeding of its pre-holiday forecasts of those who will meet their Maker on the road. His idea is that in some subconscious way (if there isn't such a word there should be) the forecasts and hour to hour reports on how we are doing to fulfill them, actually stimulate the desire to see that they are validated. This seems a bit farfetched to me, but certainly there is occasion for some more cheering estimating and reporting on the overwhelming majority which gets there safely.

By the same token, I cannot help feeling that Comrade Titov's tour by space ship is another happy augury of successful human survival. To be sure, it has its ominous implications, but granted that the trip was made as advertised, and I believe that it was, it is perhaps the most impressive demonstration yet of the enormous adaptability of the human animal. (I don't believe the story about the 7½ hours of sleep en route, but that is not crucial.)

Indeed, I find myself impressed by my own adaptability to

(Turn to page 6, column 1)

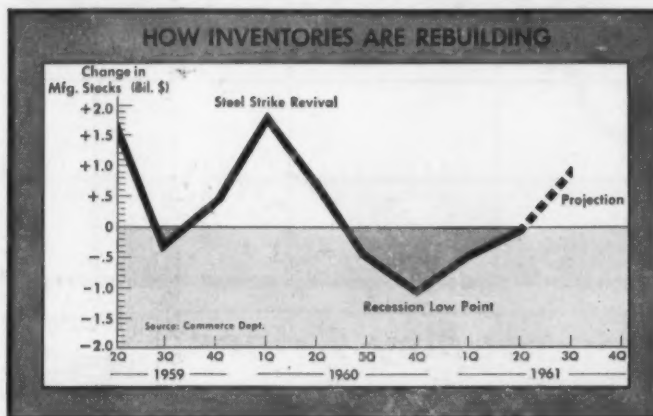
## Purchasing Week's Panorama

• **One-Man Gang** is handling a major purchasing assignment down in Georgia. He's a flying P. A. named J. W. Dobson, and he's building a papermill. Read about his seven-days-a-week job in the spread on pages 12-13.

• **Urethane Foams** are a plastic headed for an amazing growth in the next four years. Product Perspective on page 16 details many of the present uses of this material and how its markets will develop in the future.

• **Wholesale Prices** are heading upward, according to the new P/W index. A slight drop was recorded in July but a turnaround seems certain as demand firms in many products. Read details in chart and table on page 14.

• **Steel Adds Another New Product** in its continuing fight to hold on to markets. This time it's a skinnier version of its 'thin tin' plate. Story on page 4 gives some of the statistics of this container competition.



## Industry Sees Inventories Rising But Believes Sales Will Keep Pace

Washington—Industry will be making its first major addition to inventories in over 15 months during the quarter ending Sept. 30. But the projected increase (\$1-billion or 2%) will be more than offset by an expected 4% boost in sales. Result: inventory-sales ratios will remain low.

These are the major findings in the first of a new series of surveys on inventory and sales expectations just released by the Commerce Dept. Washington officials have announced that these forecasts will be issued on a regular quarterly basis — with fourth quarters estimates scheduled for release in mid-September.

This new government report, the fruit of over four years of research (P/W, March 13, p. 1), promises to be one of the most important forecasting tools yet

developed. Some economists may rate it in the same class as G.N.P., capital spending, and wholesale prices—noting that a change in inventory policy is often the major factor in determining swings in business activity.

The new inventory projection series will be added to PURCHASING WEEK's on-the-scene reporters in Detroit and Washington were busily assessing the chances for a settlement that would satisfy both sides and guarantee a three-year period of labor peace. The general feeling in Washington (see Washington Perspective, p. 4) was that despite some harsh words used by union leaders, both sides were edging closer to the area where an amicable agreement could be hammered out. And from P/W's Detroit office, here is spot outlook:

(Turn to page 21, column 1)

## Washington, Detroit Betting on Auto Peace

Detroit—As bargaining talks between the United Auto Workers and the Big Three moved into the final round, PURCHASING WEEK's on-the-scene reporters in Detroit and Washington were busily assessing the chances for a settlement that would satisfy both sides and guarantee a three-year period of labor peace. The general feeling in Washington (see Washington Perspective, p. 4) was that despite some harsh words used by union leaders, both sides were edging closer to the area where an amicable agreement could be hammered out. And from P/W's Detroit office, here is spot outlook:

Most industry observers re-

(Turn to page 22, column 3)

## Facts-of-Life Sessions Help Contractors Get More Out of Vendors

New York—More and more government prime contractors are finding that lay-it-on-the-line conferences with subcontractors are a potent cost-cutting tool. Both individual primes and trade associations are using mass pep talk meetings to push their campaign against wasteful production methods, with the hope that some of their ideas will filter down to the lowest contracting tiers. For example:

• Republic Aviation Corp. has used vendor conferences twice to push a 30% cost-reduction goal for certain subcontracted components of the Air Force F-105 fighter-bomber.

• Two Sperry Rand divisions, Sperry Gyroscope and Sperry Phoenix, have set target goals for their subs, and have brought them to their plants to spell out their requirements.

• The Air Transport Assn.'s value analysis committee has gone on a road-show to convince airlines officials and aircraft manufacturers that VA techniques are the cure for rising costs, lowered revenues.

Now that the cold war shows signs of warming up, primes are pulling every trick they can think of to get more from their defense appropriations. Republic, one of the first to use the conference technique, recently held a two-day follow-up conference, "Project Second Wind," to further reduce its original target-cost figure, promulgated in 1959 as "Operation 105 Minus 30."

Republic's new goal, for fiscal '62, is to get its suppliers to cut their costs "half again as much." An intensive internal cost-cutting drive is being run concurrent with the subcontractor target program at Republic. Figures are not yet available, but Republic spokesmen indicate that value analysis and engineering review techniques have brought a

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## Purchasing Week's Purchasing Perspective

Once automakers clear away their labor problems successfully and begin ordering raw materials in line with current start-of-the-season sales forecasts, you can expect to see a new burst or activity in steel producing centers. This could mean lengthening delivery times; and some buyers already have taken the precaution of specifying longer lead periods.

Press previews of the new cars began in Detroit last week, and traditionally optimistic auto manufacturers professed to see nothing but a big year ahead. General Motors was the most expansive, forecasting a 7.2-million car year (including imports), only a shade under the record 7.4-million cars sold in 1955. Ford was somewhat more conservative, predicting 6.5-million to almost 7-million sales of 1962 models (1961 sales are expected to hit around 6-million).

What this means is that Detroit is counting on a continuing,

(Turn to page 21, column 4)

## California Public Buyers Set Certification Exams

Los Angeles—The California State, County, and Municipal Purchasing Agents Assn. has launched a new professional certification program for governmental P.A.'s.

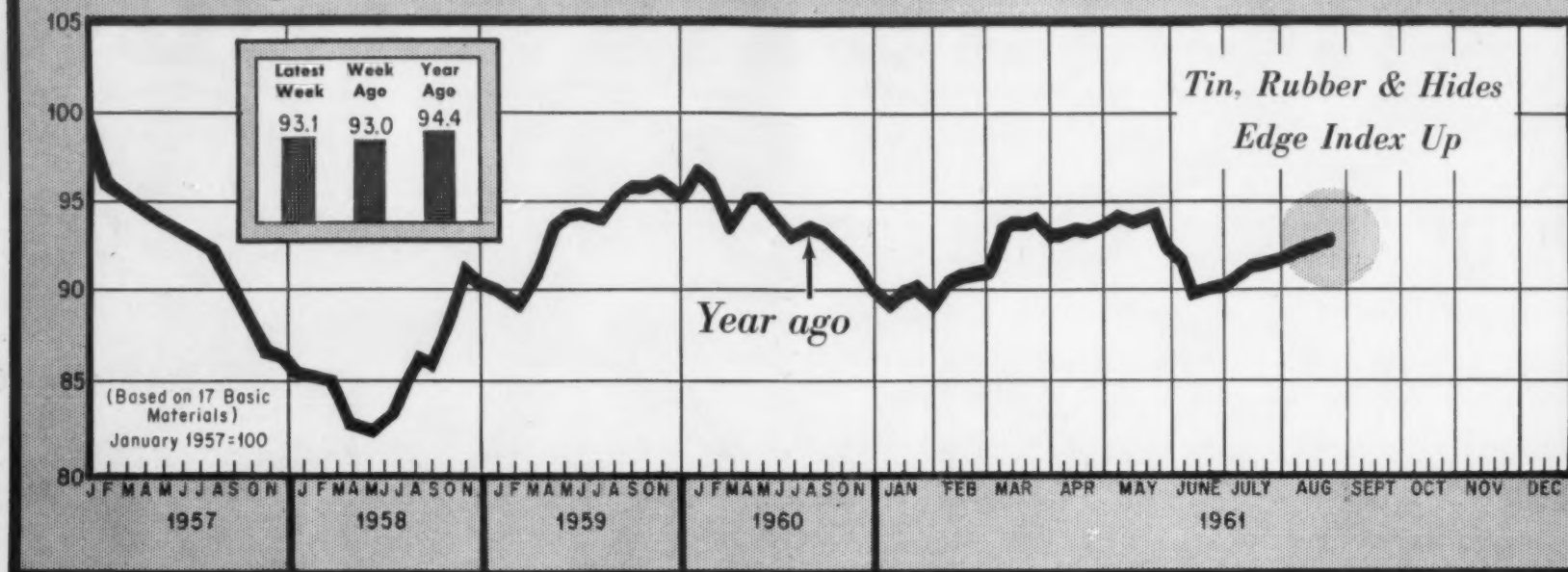
The program, which is strictly voluntary, provides for a written examination and an oral exam conducted by an advisory panel of six purchasing experts to be selected by the association. The

(Turn to page 21, column 2)



## Purchasing Week Industrial Materials Price Barometer

This index, based on 17 basic materials, was especially designed by the McGraw-Hill Department of Economics.



## This Week's Commodity Prices

	Aug. 23	Aug. 16	Year Ago	% Yrly Change
<b>METALS</b>				
Pig iron, Bessemer Pitts., gross ton.....	67.00	67.00	67.00	0
Pig iron, basic, valley, gross ton.....	66.00	66.00	66.00	0
Steel, billets, Pitts., net ton.....	80.00	80.00	80.00	0
Steel, structural shapes, Pitts., cwt.....	5.50	5.50	5.50	0
Steel, structural shapes, Los Angeles, cwt.....	6.20	6.20	6.20	0
Steel, bars, del., Phila., cwt.....	5.98	5.98	5.975	+ .1
Steel, bars, Pitts., cwt.....	5.675	5.675	5.675	0
Steel, plates, Chicago, cwt.....	5.30	5.30	5.30	0
Aluminum, pig, lb.....	.26	.26	.26	0
Secondary aluminum, #380 lb.....	.212	.212	.24	-11.7
Copper, electrolytic, wire bars, refinery, lb.....	.306	.306	.326	-6.1
Brass, yellow, (sheet) lb.....	.493	.493	.506	-2.6
Lead, common, N.Y., lb.....	.11	.11	.12	-8.3
Nickel, electrolytic, producers, lb.....	.813	.813	.74	+ 9.9
Tin, Straits, N.Y., lb.....	1.216	1.195	1.025	+18.6
Zinc, Prime West, East St. Louis, lb.....	.115	.115	.13	-11.5
<b>FUELS</b>				
Fuel oil #6 or Bunker C, Gulf, bbl.....	2.20	2.20	2.30	-4.3
Fuel oil #6 or Bunker C, N.Y., barge, bbl.....	2.62	2.62	2.62	0
Heavy fuel, PS 400, Los Angeles, rack, bbl.....	2.10	2.10	1.95	+ 7.7
Lp-Gas, Propane, Okla., tank cars, gal. (incl. discount).....	.025	.025	.035	-28.6
Gasoline, 92 oct. reg., Chicago, tank car, gal.....	.118	.118	.126	-6.3
Gasoline, 84 oct. reg., Los Angeles, rack, gal.....	.108	.108	.105	+ 2.9
Kerosene, Gulf, Cargoes, gal.....	.095	.095	.09	+ 5.6
Heating oil #2, Chicago, bulk, gal.....	.088	.088	.095	-7.4
<b>CHEMICALS</b>				
Ammonia, anhydros, refrigeration, tanks, ton.....	94.50	94.50	90.50	+ 4.4
Benzene, petroleum, tanks, Houston, gal.....	.31	.31	.34	-8.8
Caustic soda, 76% solid, drums, carlots, cwt.....	4.80	4.80	4.80	0
Coconut oil, inedible, crude, tanks, N.Y. lb.....	.125	.126	.15	-16.7
Glycerine, synthetic, tanks, lb.....	.248	.248	.293	-15.4
Linseed oil, raw, in drums, carlots, lb.....	.186	.191	.168	+10.7
Phthalic anhydride, tanks, lb.....	.195	.195	.185	+ 5.4
Polyethylene resin, high pressure molding, carlots, lb.....	.275	.275	.325	-15.4
Polystyrene, crystal, carlots, lb.....	.18	.18	.215	-16.3
Rosin, W.G. grade, carlots, fob N.Y. cwt.....	13.15	13.15	18.10	-27.3
Shellac, T.N., N.Y. lb.....	.31	.31	.31	0
Soda ash, 58%, light, carlots, cwt.....	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton.....	23.50	23.50	23.50	0
Sulfuric acid, 66% commercial, tanks, ton.....	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb.....	.063	.063	.059	+ 6.8
Titanium dioxide, anatase, reg. carlots, lb.....	.255	.255	.255	0
<b>PAPER</b>				
Book paper, A grade, Eng finish, Untrimmed, carlots, cwt.....	17.75	17.75	17.75	0
Bond paper, #1 sulfite, water marked, 20-lb, 16-carton lots, cwt.....	25.20	25.20	25.20	0
Chipboard, del. N.Y., carlots, ton.....	100.00	100.00	100.00	0
Wrapping paper, std. Kraft, basis wt. 50 lb rolls.....	9.50	9.50	9.50	0
Gummed sealing tape, #2, 60 lb basis, 600 ft. bundle.....	6.30	6.30	6.30	0
<b>BUILDING MATERIALS</b>				
Cement, Portland, bulk carlots, fob New Orleans, bbl.....	3.65	3.65	3.65	0
Cement, Portland, bulk carlots, fob N.Y., bbl.....	4.20	4.20	4.18	+ .5
Southern pine, 2x4, s4s, trucklots, fob N.Y., mftbm.....	112.50	112.50	120.00	-6.2
Douglas fir, 2x4, s4s, carlots, fob Chicago, mftbm.....	125.00	125.00	135.00	-7.4
Spruce, 2x4, s4s, carlots, fob Toronto, mftbm.....	85.00	85.00	84.00	+ 1.2
Fir plywood, 1/4" AD, 4x8, dealer, crld, fob mill, msf.....	64.00	64.00	64.00	0
<b>TEXTILES</b>				
Burlap, 10 oz. 40", N.Y., yd.....	.124	.130	.120	+ 3.3
Cotton middling, 1", N.Y., lb.....	.352	.352	.324	+ 8.6
Printcloth, 39", 80x80, N.Y., spot, yd.....	.178	.178	.198	-10.1
Rayon twill, 40 1/2", 92x62, N.Y., yd.....	.205	.205	.225	-8.9
Cotton drill, 1.85, 59", 68x40, N.Y., yd.....	.365	.355	.38	-3.9
Wool tops, N.Y., lb.....	1.670	1.665	1.425	+17.2
<b>HIDES AND RUBBER</b>				
Hides, cow, light native, packers, Chicago, lb.....	.215	.210	.168	+28.6
Rubber, #1 std ribbed smoked sheets, N.Y., lb.....	.305	.300	.360	-15.3

## Purchasing Week's

## Price Perspective

**MARKING TIME**—Current price calm in most metal markets is deceptive. Underneath the surface there's plenty of pressures for price increases.

• **Higher labor costs**—Aluminum and copper have had to absorb wage boosts this summer. And steel is slated for one come Oct. 1. Traditionally these have been passed on to the metal buyer.

• **Improving final demand**—Growing defense orders for conventional weapons, coupled with general business recovery, mean higher metal consumption all around by the fourth quarter.

• **Bigger inventories**—A newly released government survey reveals the nation's factories will be adding \$1-billion to inventories in the third quarter—nearly two thirds of which will be in the key hard goods area. And based on past recovery experience, the fourth-quarter should see an even bigger stock buildup—if only to keep up with higher sales levels.

**THE BIG QUESTION:** Will these pressures erupt into a general round of price increases?

**The answer, to a large extent, depends on steel:**

If the mills manage to get some increases through in early October when steel wages go up 11¢-to-14¢/hr. then look for most raw and fabricated metal producers to follow suit.

This is most certainly true of aluminum. Producers of the light metal deliberately passed up a boost on Aug. 1 (when their own wages went up) because they wanted to see what steel would do first. They feel the success of their current battles for the can, construction, and host of other metal markets is directly dependent on keeping the cost gap between the two metals from spreading.

**With steel holding the key to the metal price structure, it's no wonder that Washington is stepping up pressure to forestall any boosts in this area.**

Look for the Administration to play up the Council of Economic Advisors' new estimate of steel profits. The Council figures that the industry, operating at 75-to-80% of capacity in the last quarter, could absorb the Oct. 1 wage boost and still come up with a 10% to 12% profit after taxes.

**OTHER CONSIDERATIONS**—International economic factors may play a strong part in keeping prices down for some metals.

• **In copper**—Export demand has dropped sharply (July fell more than 27,000 tons below June). Moreover, foreign producer stocks are again soaring. This is bound to have a downward pull on U. S. prices—for excess foreign copper always manages to show up in this country (either as the red metal or in the form of brass mill products).

This bearish international picture is in sharp contrast to domestic demand which has maintained itself surprisingly well through the summer months. Thus U. S. mills and foundries consumed 113,431 tons of refined copper in July—30,000 higher than a year ago.

**This balancing of minus and plus factors should keep tags steady at 31¢/lb. over the next month or so.**

• **In Tin**—Last weeks spurt to over \$1.21/lb. is basically speculative—and not to be taken too seriously. **Much more important from the longer-run price angle is the mid-September meeting of the Tin Council.** Such basic factors as mining cost of major producers, quick release of tin from U. S. stockpiles, and possible U. S. entry into the Tin Council will all be thrashed out then.

**If America does enter into the tin cartel, chances are that any general increase in ceilings will be kept to modest proportions.** For U. S. interests have been shying away from joining up to now because they felt that new proposals for big ceiling boosts were way out of line.



## Prices of Industrial Chemicals Remain Easy

**New York**—Growing competition and excess capacity are continuing to have a depressing effect on organic chemical tags, which have fallen 3% in the past three months and 5% below year-ago prices (see price table, p. 14).

Although most producers report a slow pickup in demand, in the past week alone these four major chemicals have been reduced in price:

• **Phthalic anhydride** — This basic material, used in the production of polyester resins, was knocked down 2¢/lb. last week by leading producers. New prices range from 17.5¢/lb.-19¢/lb. American Cyanamid, in kicking off the reduction, noted that it was taking the action "to maintain a fully competitive position in a phthalic anhydride market which in recent weeks has shown tendency toward weakening."

### Price Changes

**Cotton Yarn**—Prices of cotton sales yarn have been increased 2¢/lb. by leading producers. Better demand plus sharp advances in raw cotton are behind the boost.

**Copper water tube** — Most leading fabricators are boosting certain types of tube by 7½%. Affected are all sizes of types K, L, and M in both straight lengths and coils. A profit squeeze dictated the rise.

**Capacitors** — Price reductions of about 10% for wet anode tantalum capacitors have been announced by the Fansteel Metallurgical Corp. Cuts do not apply to customer-special high-reliability types nor to Fansteel's Gold Cap line, but it is expected that reductions in these lines may be announced soon.

**Industrial sugar** — Several Eastern refiners are cutting price of industrial grades 10¢/cwt. in the Northeastern marketing area. Competition and lower costs for raw sugar are behind the reduction.

**Potentiometers** — Daystrom, Inc., is posting cuts of up to 50% on its Squaretrim precision, subminiature, trimmer potentiometers. The company says cuts are due to new manufacturing techniques and stepup in production.

**Rigid steel conduit**—Youngstown Sheet & Tube Co. reestablished its 5% discount on rigid conduit, a move that could bring down tags of other steel conduit makers plus those of aluminum conduit makers. The reinstatement of the discount was made because of "competitive conditions."

### Gyp Vendor Warning

**Buffalo**—The Better Business Bureau of Western New York issued a warning that "disreputable, itinerant" platers are invading this area. The Bureau urged businessmen to check the credentials of anyone offering to replat or re-finish machinery parts and equipment, because the itinerants give phony addresses in many cases.

• **Plasticizers**—Slashes of from ½¢/lb. to 1¢/lb. have been made on most lines of phthalate plasticizers—reflecting the 2¢/lb. drop in phthalic anhydride noted above. Details are given in "Price Changes for Purchasing Agents," page 21.

• **Detergent materials**—Monsanto kicked off a 17¢/cwt. cut on two compounds—sodium triphosphate and sodium pyrophosphate—both used in heavy-duty detergents. Lower costs and increasing competition are behind the move.

• **Coating resin**—Enjay Chemical Co. has reduced prices for Buton 100 resin 3¢/lb. across the board. New price schedule is as follows:

Tankcar quantities . . . 32¢/lb.  
Carload drums . . . 34½¢/lb.  
Ten drums to a truckload . . . 35¢/lb.  
One to nine drums . . . 35½¢/lb.

Prices are quoted for 100% solids, f.o.b. supply point with minimum transportation costs allowed and prepaid to destinations within the continental United States, exclusive of Alaska.

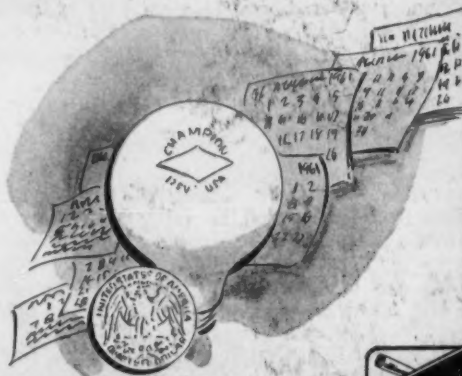
## This Week's Scrap Prices

	Aug. 23	Aug. 16	Year Ago	% Yrly Change
Steel, #1 hv, divd Pitt, ton . . . . .	36.00	36.00	31.00	+16.1
Steel, #1 hv, divd Clev, ton . . . . .	34.50	34.50	31.00	+11.3
Steel, #1 hv, divd Chic, ton . . . . .	39.00	39.00	32.00	+21.9
Copper, #1 wire, dlr buy, fob NY, lb. . . . .	.245	.245	.24	+2.1
Copper (hv) & wire mix, dlr buy, fob NY, lb. . . . .	.225	.225	.22	+2.3
Brass, light, dlr buy, fob NY, lb. . . . .	.125	.125	.11	+13.6
Brass, hv yellow mix, dlr buy, fob NY, lb. . . . .	.145	.145	.125	+16.0
Alum (cast), mixed, dlr buy, fob NY, lb. . . . .	.10	.10	.10	0
Alum (sheet), old clean, dlr buy, fob NY, lb. . . . .	.095	.095	.095	0
Zinc, old, dlr buy, fob NY, lb. . . . .	.03	.03	.04	-25.0
Lead, soft or hard, dlr buy, fob NY, lb. . . . .	.07	.07	.083	-15.7
Rubber, mix auto tires, divd Akron, ton . . . . .	11.00	11.00	11.00	0
Rubber, synth butyl tubes, East, divd, lb. . . . .	.065	.065	.07	-7.1
Paper, old corrug box, dlr, Chic, ton . . . . .	16.00	16.00	18.00	-11.1
Paper, #1 mixed, dlr, NY, ton . . . . .	3.00	3.00	1.00	+200.0
Polyethylene, clear, dlr, NY, lb. . . . .	.05	.05	.11	-54.5

# Facts of Light!

### IT COSTS NEARLY \$2.50 TO OPERATE A 25 CENT LAMP

The electric power required to operate a 25 cent 100 watt incandescent lamp will amount to nearly \$2.50 before the lamp burns out. The efficiency with which a lamp converts electric power into usable light is an important factor in considering lamp value.



### TWO 100's WON'T DO THE WORK OF ONE 200

A 200 watt incandescent lamp produces approximately 3800 lumens. Two 100 watt incandescent lamps produce approximately 3400 lumens — about 10% less light.



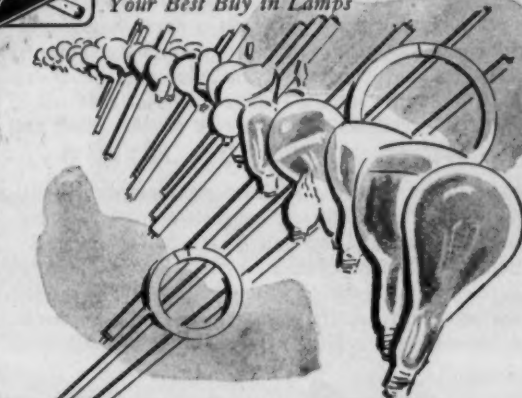
CHAMPION Lamps

Your Best Buy in Lamps



### YOU CAN CHECK YOUR LIGHTING AGAINST RECOMMENDED LEVELS FOR ALMOST 700 DIFFERENT JOBS

The Illuminating Engineering Society publishes Foot-candle Tables of Recommended Illumination (1958) for seeing tasks in many different categories and industries.



### THERE ARE OVER 3,000 TYPES AND SIZES OF CHAMPION LAMPS

More than 3,000 different Champion Lamps are available to satisfy the diversified lighting needs in office buildings, homes, department stores, ball fields, theaters, factories, shops, garages, showrooms, railroads, airports, restaurants, streets, parks, schools, and many other installations.

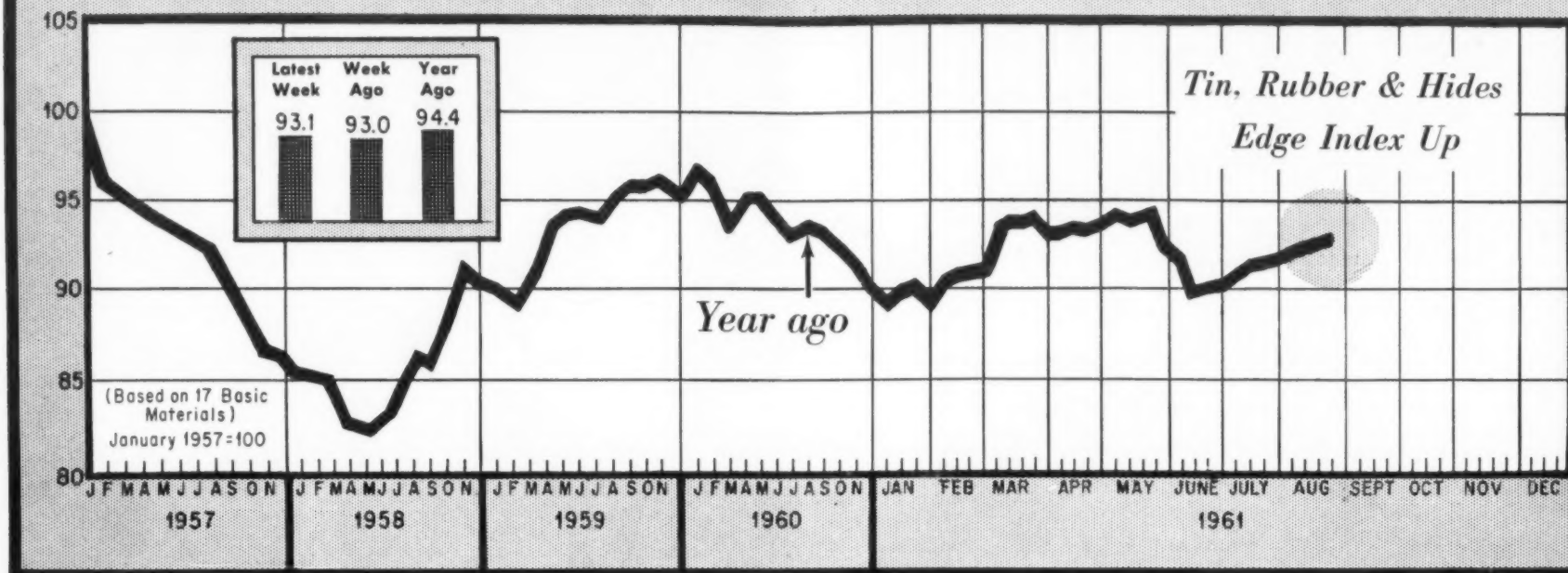
CHAMPION LAMP WORKS, Lynn, Massachusetts

CHAMPION INCANDESCENT-FLUORESCENT



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Coconut oil, inedible, crude, tanks, N.Y. lb.....	.125	.126	.15	-16.7
Glycerine, synthetic, tanks, lb.....	.248	.248	.293	-15.4
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Phthalic anhydride, tanks, lb.....	.195	.195	.185	+5.4
Polyethylene resin, high pressure molding, carlots, lb.....	.275	.275	.325	-15.4
Polystyrene, crystal, carlots, lb.....	.18	.18	.215	-16.3
Rosin, W.G. grade, carlots, fob N.Y. cwt.....	13.15	13.15	18.10	-27.3
Shellac, T.N., N.Y. lb.....	.31	.31	.31	0
Soda ash, 58%, light, carlots, cwt.....	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton.....	23.50	23.50	23.50	0
Sulfuric acid, 66% commercial, tanks, ton.....	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y. lb.....	.063	.063	.059	+6.8
Titanium dioxide, anatase, reg. carlots, lb.....	.255	.255	.255	0
<b>PAPER</b>				
Book paper, A grade, Eng finish, Untrimmed, carlots, cwt.....	17.75	17.75	17.75	0
Bond paper, #1 sulfite, water marked, 20-lb, 16-carton lots, cwt.....	25.20	25.20	25.20	0
Chipboard, del. N.Y., carlots, ton.....	100.00	100.00	100.00	0
Wrapping paper, std. Kraft, basis wt. 50 lb rolls.....	9.50	9.50	9.50	0
Gummed sealing tape, #2, 60 lb basis, 600 ft. bundle.....	6.30	6.30	6.30	0
<b>BUILDING MATERIALS</b>				
Cement, Portland, bulk carlots, fob New Orleans, bbl.....	3.65	3.65	3.65	0
Cement, Portland, bulk carlots, fob N.Y., bbl.....	4.20	4.20	4.18	+
Southern pine, 2x4, s4s, trucklots, fob N.Y., mftbm.....	112.50	112.50	120.00	-6.2
Douglas fir, 2x4, s4s, carlots, fob Chicago, mftbm.....	125.00	125.00	135.00	-7.4
Spruce, 2x4, s4s, carlots, fob Toronto, mftbm.....	85.00	85.00	84.00	+1.2
Fir plywood, 1/4" AD, 4x8, dealer, crld, fob mill, msf.....	64.00	64.00	64.00	0
<b>TEXTILES</b>				
Burlap, 10 oz. 40", N.Y., yd.....	.124	.130	.120	+3.3
Cotton middling, 1", N.Y., lb.....	.352	.352	.324	+8.6
Printcloth, 39", 80x80, N.Y., spot, yd.....	.178	.178	.198	-10.1
Rayon twill, 40 1/2", 92x62, N.Y., yd.....	.205	.205	.225	-9.9
Cotton drill, 1.85, 59", 68x40, N.Y., yd.....	.365	.355	.38	-3.9
Wool tops, N.Y., lb.....	1.670	1.665	1.425	+17.2
<b>HIDES AND RUBBER</b>				
Hides, cow, light native, packers, Chicago, lb.....	.215	.210	.168	+28.6
Rubber, #1 std ribbed smoked sheets, N.Y., lb.....	.305	.300	.360	-15.3

(Price sources include: Coal Age, E&MJ Metal and Mineral Markets, Engineering News-Record, Platts Oilgram Price Service.)

## Purchasing Week's

## Price Perspective

**MARKING TIME**—Current price calm in most metal markets is deceptive. Underneath the surface there's plenty of pressures for price increases.

• **Higher labor costs**—Aluminum and copper have had to absorb wage boosts this summer. And steel is slated for one come Oct. 1. Traditionally these have been passed on to the metal buyer.

• **Improving final demand**—Growing defense orders for conventional weapons, coupled with general business recovery, mean higher metal consumption all around by the fourth quarter.

• **Bigger inventories**—A newly released government survey reveals the nation's factories will be adding \$1-billion to inventories in the third quarter—nearly two thirds of which will be in the key hard goods area. And based on past recovery experience, the fourth-quarter should see an even bigger stock buildup—if only to keep up with higher sales levels.

**THE BIG QUESTION:** Will these pressures erupt into a general round of price increases?

**The answer, to a large extent, depends on steel:**

If the mills manage to get some increases through in early October when steel wages go up 11¢-to-14¢/hr. then look for most raw and fabricated metal producers to follow suit.

This is most certainly true of aluminum. Producers of the light metal deliberately passed up a boost on Aug. 1 (when their own wages went up) because they wanted to see what steel would do first. They feel the success of their current battles for the can, construction, and host of other metal markets is directly dependent on keeping the cost gap between the two metals from spreading.

**With steel holding the key to the metal price structure, it's no wonder that Washington is stepping up pressure to forestall any boosts in this area.**

Look for the Administration to play up the Council of Economic Advisors' new estimate of steel profits. The Council figures that the industry, operating at 75-to-80% of capacity in the last quarter, could absorb the Oct. 1 wage boost and still come up with a 10% to 12% profit after taxes.

**OTHER CONSIDERATIONS**—International economic factors may play a strong part in keeping prices down for some metals.

• **In copper**—Export demand has dropped sharply (July fell more than 27,000 tons below June). Moreover, foreign producer stocks are again soaring. This is bound to have a downward pull on U. S. prices—for excess foreign copper always manages to show up in this country (either as the red metal or in the form of brass mill products).

This bearish international picture is in sharp contrast to domestic demand which has maintained itself surprisingly well through the summer months. Thus U. S. mills and foundries consumed 113,431 tons of refined copper in July—30,000 higher than a year ago.

**This balancing of minus and plus factors should keep tags steady at 31¢/lb. over the next month or so.**

• **In Tin**—Last weeks spurt to over \$1.21/lb. is basically speculative—and not to be taken too seriously. **Much more important from the longer-run price angle is the mid-September meeting of the Tin Council.** Such basic factors as mining cost of major producers, quick release of tin from U. S. stockpiles, and possible U. S. entry into the Tin Council will all be thrashed out then.

**If America does enter into the tin cartel, chances are that any general increase in ceilings will be kept to modest proportions.** For U. S. interests have been shying away from joining up to now because they felt that new proposals for big ceiling boosts were way out of line.



# Prices of Industrial Chemicals Remain Easy

**New York**—Growing competition and excess capacity are continuing to have a depressing effect on organic chemical tags, which have fallen 3% in the past three months and 5% below year-ago prices (see price table, p. 14).

Although most producers report a slow pickup in demand, in the past week alone these four major chemicals have been reduced in price:

● **Phthalic anhydride** — This basic material, used in the production of polyester resins, was knocked down 2¢/lb. last week by leading producers. New prices range from 17.5¢/lb.-19¢/lb. American Cyanamid, in kicking off the reduction, noted that it was taking the action "to maintain a fully competitive position in a phthalic anhydride market which in recent weeks has shown tendency toward weakening."

## Price Changes

**Cotton Yarn**—Prices of cotton sales yarn have been increased 2¢/lb. by leading producers. Better demand plus sharp advances in raw cotton are behind the boost.

**Copper water tube** — Most leading fabricators are boosting certain types of tube by 7½%. Affected are all sizes of types K, L, and M in both straight lengths and coils. A profit squeeze dictated the rise.

**Capacitors** — Price reductions of about 10% for wet anode tantalum capacitors have been announced by the Fansteel Metallurgical Corp. Cuts do not apply to customer-special high-reliability types nor to Fansteel's Gold Cap line, but it is expected that reductions in these lines may be announced soon.

**Industrial sugar** — Several Eastern refiners are cutting price of industrial grades 10¢/cwt. in the Northeastern marketing area. Competition and lower costs for raw sugar are behind the reduction.

**Potentiometers** — Daystrom, Inc., is posting cuts of up to 50% on its Squaretrim precision, subminiature, trimmer potentiometers. The company says cuts are due to new manufacturing techniques and stepup in production.

**Rigid steel conduit**—Youngstown Sheet & Tube Co. reestablished its 5% discount on rigid conduit, a move that could bring down tags of other steel conduit makers plus those of aluminum conduit makers. The reinstatement of the discount was made because of "competitive conditions."

## Gyp Vendor Warning

**Buffalo**—The Better Business Bureau of Western New York issued a warning that "disreputable, itinerant" platers are invading this area. The Bureau urged businessmen to check the credentials of anyone offering to replate or refinish machinery parts and equipment, because the itinerants give phony addresses in many cases.

● **Plasticizers**—Slashes of from ½¢/lb. to 1¢/lb. have been made on most lines of phthalate plasticizers—reflecting the 2¢/lb. drop in phthalic anhydride noted above. Details are given in "Price Changes for Purchasing Agents," page 21.

● **Detergent materials** — Monsanto kicked off a 17¢/cwt. cut on two compounds—sodium triphosphate and sodium pyrophosphate—both used in heavy-duty detergents. Lower costs and increasing competition are behind the move.

● **Coating resin**—Enjay Chemical Co. has reduced prices for Buton 100 resin 3¢/lb. across the board. New price schedule is as follows:

Tankcar quantities . . . 32¢/lb.  
Carload drums . . . 34½¢/lb.  
Ten drums to a truckload . . . 35¢/lb.  
One to nine drums . . . 35½¢/lb.

Prices are quoted for 100% solids, f.o.b. supply point with minimum transportation costs allowed and prepaid to destinations within the continental United States, exclusive of Alaska.

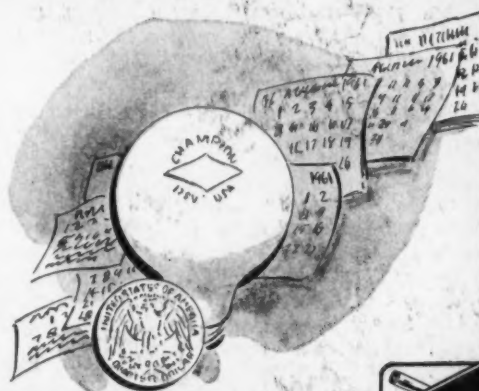
# This Week's Scrap Prices

	Aug. 23	Aug. 16	Year Ago	% Yrly Change
Steel, #1 hv, dlv'd Pitt, ton . . . . .	36.00	36.00	31.00	+16.1
Steel, #1 hv, dlv'd Clev, ton . . . . .	34.50	34.50	31.00	+11.3
Steel, #1 hv, dlv'd Chic, ton . . . . .	39.00	39.00	32.00	+21.9
Copper, #1 wire, dlr buy, feb NY, lb. . . . .	.245	.245	.24	+2.1
Copper (hv) & wire mix, dlr buy, feb NY, lb. . . . .	.225	.225	.22	+2.3
Brass, light, dlr buy, feb NY, lb. . . . .	.125	.125	.11	+13.6
Brass, hv yellow mix, dlr buy, feb NY, lb. . . . .	.145	.145	.125	+16.0
Alum (cast), mixed, dlr buy, feb NY, lb. . . . .	.10	.10	.10	0
Alum (sheet), old clean, dlr buy, feb NY, lb. . . . .	.095	.095	.095	0
Zinc, old, dlr buy, feb NY, lb. . . . .	.03	.03	.04	-25.0
Lead, soft or hard, dlr buy, feb NY, lb. . . . .	.07	.07	.083	-15.7
Rubber, mix auto tires, dlv'd Akron, ton . . . . .	11.00	11.00	11.00	0
Rubber, synth butyl tubes, East, dlv'd, lb. . . . .	.065	.065	.07	-7.1
Paper, old corrug box, dlr, Chic, ton . . . . .	16.00	16.00	18.00	-11.1
Paper, #1 mixed, dlr, NY, ton . . . . .	3.00	3.00	1.00	+200.0
Polyethylene, clear, dlr, NY, lb. . . . .	.05	.05	.11	-54.5

# Facts of Light!

## IT COSTS NEARLY \$2.50 TO OPERATE A 25 CENT LAMP

The electric power required to operate a 25 cent 100 watt incandescent lamp will amount to nearly \$2.50 before the lamp burns out. The efficiency with which a lamp converts electric power into usable light is an important factor in considering lamp value.



## TWO 100's WON'T DO THE WORK OF ONE 200

A 200 watt incandescent lamp produces approximately 3800 lumens. Two 100 watt incandescent lamps produce approximately 3400 lumens — about 10% less light.

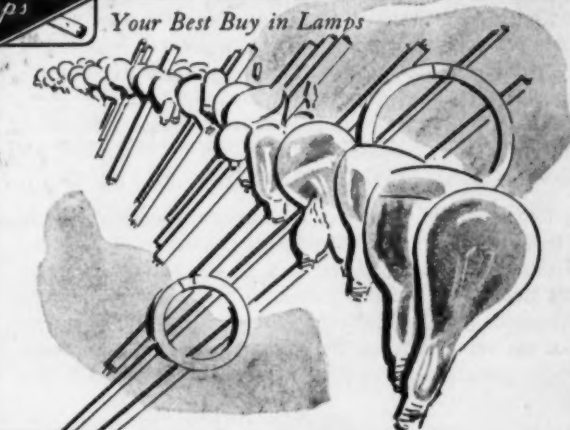


Your Best Buy in Lamps



## YOU CAN CHECK YOUR LIGHTING AGAINST RECOMMENDED LEVELS FOR ALMOST 700 DIFFERENT JOBS

The Illuminating Engineering Society publishes Foot-candle Tables of Recommended Illumination (1958) for seeing tasks in many different categories and industries.



## THERE ARE OVER 3,000 TYPES AND SIZES OF CHAMPION LAMPS

More than 3,000 different Champion Lamps are available to satisfy the diversified lighting needs in office buildings, homes, department stores, ball fields, theaters, factories, shops, garages, showrooms, railroads, airports, restaurants, streets, parks, schools, and many other installations.

**CHAMPION LAMP WORKS, Lynn, Massachusetts**  
CHAMPION INCANDESCENT-FLUORESCENT



## Purchasing Week's Washington Perspective

**A**s Detroit contract negotiations moved toward a showdown, it was becoming absolutely clear that both sides would have to face up to the wrath of the Kennedy Administration if a strike idles the automobile industry.

The attitude of official Washington all along was that an auto strike would be "intolerable." Now, as the menace of a Berlin crisis develops, the Administration attitude stiffens measurably, adding to the already deep economic concern over the wastefulness of a major strike: It has become a matter of America's image to the rest of the world—particularly to Khrushchev—in a time of increasing world tension.

The White House thus can be expected to bring strongest possible pressure to bear on both sides to avoid serious economic dislocations at a time when more of the nation's productive capacity is needed for the military build-up.

The auto industry's initial offer, while classified as "woefully inadequate" by UAW President Walter Reuther, provided a basis for bargaining. Further, while no one in Washington believes Reuther would settle on such a minimal basis, the offer was looked upon as a "floor" from which some building can be made toward a settlement.

Specifically, in the light of the national defense aspects of the huge auto industry, invocation of Taft-Hartley injunctive proceedings can be confidently anticipated by both sides, although it will be a very reluctant action on the part of the Kennedy Administration.

But the primary thrust of informal—at this stage—Administration efforts is to convince the auto industry and the United Auto Workers that the situation vis-a-vis Russia requires a high degree of unity at home—in industry as well as politics. The theme is that the public interest and national security have important places at the conference table.

The question of whether railroads can resort to so-called contract rates is headed for the Supreme Court. Both the Interstate Commerce Commission and federal court in New York have rejected as a destructive competitive device New York Central's contract-rate plan. Under it, the line offered a rug maker cut rates in return for an agreement to ship a fixed percentage of his traffic by rail.

If contract rates win legal sanction through a Supreme Court decision, other railroads plan to offer them. If New York Central loses its plea, it and other roads probably will seek Congressional approval of the system. Truckers, naturally, will fight this down the line.

The entire issue of taxes has been put over until next year. The Administration's tax-reform bill for this year, which failed to arouse enthusiasm anywhere, finally was killed by a combination of increased defense expenditures and general business recovery. At a White House meeting, President Kennedy, Treasury Secy. Douglas Dillon and Democratic members of the House Ways and Means Committee buried their proposal that would give business an 8% tax credit on purchases of new plant and equipment.

Kennedy has promised Congress a tax-reform message in January. What form it will take will depend, of course, on the international situation at the time and the state of the nation's finances. It is possible that he will incorporate in it many of the measures he sought unsuccessfully this year—the tax-credit plan and a tightening of tax provisions on such things as expense accounts, dividends, and interest and income derived from overseas subsidiaries.

## Weekly Production Records

Steel ingot, thous tons	1,944	1,910	1,547
Autos, units	13,910	21,029*	48,079
Trucks, units	7,689	7,058*	23,599
Crude runs, thous bbl, daily aver	8,339	8,437	8,135
Distillate fuel oil, thous bbl	14,212	13,726	13,097
Residual fuel oil, thous bbl	5,642	5,469	5,626
Gasoline, thous bbl	30,026	30,061	29,467
Petroleum refineries operating rate, %	84.1	85.0	83.1
Container board, tons	167,595	165,152	169,897
Boxboard, tons	99,635	100,241	97,164
Paper operating rate, %	90.6	89.0*	91.7
Lumber, thous of board ft	223,339	221,214	232,189
Bituminous coal, daily aver thous tons	1,370	1,321	1,347
Electric power, million kilowatt hours	15,665	16,080	14,453
Eng const awards, mil \$ Eng News-Rec	323.5	479.0	406.4

\*Revised

## Thin Tin Plate Gets Skinnier to Win Markets

**Pittsburgh**—U. S. Steel and National Steel have come up with a thinner version of "thin tinplate" to help them in their battle with aluminum for the citrus and oil can markets.

The tinplate producers—who still have 99% of the total can business—have watched an estimated 60% of the citrus and 30% of the oil can markets slip away in recent years.

The new plate—U. S. Steel

calls its version "Ferrolite 10"—is priced at 15¢ per base box less than the original thin tin which appeared 15 months ago. It has a coating of 1/10 lb. of tin per box as compared to the 1/4 lb. of the older plate.

Major can companies told PURCHASING WEEK they are evaluating samples of the new material and it "shows promise." Cans made from the lighter weight plate will be available for

the coming can season, the makers say, "if tests can be completed in time."

Aluminum producers tend to minimize the effect of the new product on the citrus market. They point out that a large segment of the industry already has indicated it will use aluminum, and that potential savings with the materials are small.

Cans made of the thinner tinplate would mean a saving of 13¢ per 1,000 6-oz. citrus cans, according to observers. Estimated costs for 1,000 cans are: standard tinplate \$22, thin tinplate \$20.38, and all-aluminum \$20.

## Senators Urge Government Action To Head Off Steel Price Increases

(Continued from page 1)

relief and, paradoxically, whose markets have shown more price weaknesses recently than indications of firming.

Led by Sen. Albert Gore (D-Tenn.), the senators—most representing steel producing centers such as Pennsylvania and Illinois—teed off on the industry with statistics from the President's Council of Economic Advisors and Sen. Estes Kefauver's antitrust subcommittee. Gore said he was protesting in advance what he figured would be a \$5/ton increase.

The Senatorial statistics were meant to prove that the steel industry can absorb this year's wage increases without a price boost and make a fourth quarter profit of 10% to 12% after taxes. This estimate was based on steel operating at 80% of capacity during the fourth quarter, a rate Gore termed a "reasonable assumption."

While Senatorial talk alone cannot block a price hike, the senators were pointing up the opposition the steel industry might face if it tried to raise prices.

### Weapons

The Administration and Congress have several weapons in their arsenal. First, the President can bring great public pressure to bear against an increase. His Council of Economic Advisors has been studying the problem for months, and his labor-management conference composed of top leaders of industry, labor unions, and public life is being briefed.

Second, the Federal Trade Commission under its aggressive new chairman, Paul Rand Dixon, can move in. A 1951 order against the big steel companies to "cease and desist" from price fixing or exchanging of price information is still in effect. Sen. Gore said he felt any "uniform price increase" would violate this order.

Third, the antitrust division of the Justice Dept. can crack down. While it is extremely difficult to prove collusion in price hikes the department can make it uncomfortable for the steel industry.

Not so frequently mentioned, but perhaps an equally strong deterrent, is the threat of action by Congress on a bill requiring prior notification of all price increases in basic industry. Sen. Kefauver's antitrust committee has held extensive hearings in the past and has introduced legislation. It has never been acted upon and is not likely to be; but its existence is a Sword of Damocles for the industry.

The senators who joined Gore

reiterated the theme that steel is the key to holding off the wage-price spiral, dampening inflation fires, and avoiding a balance of payments deficit. They pointed out that from 1953 to 1958 iron and steel export prices rose 20% and the U. S. share of world markets fell from 18% to 12%. Competitive world prices forbid a price hike, they asserted.

### Feel Profits Adequate

Gore asserted that steel prices in recent years have been high enough to finance plant improvement largely from internal sources. The antitrust subcommittee staff study showed that profits have risen more than costs. As evidence it cited steadily increasing profit rates at a given rate of plant utilization. Compared with 1955, steel can operate at 10% to 15% less capacity and still make the same rate of return.

The figures cited by the committee study itself, however, show a very close "race" between wage hikes and increased productivity. The two-year wage hike, including the forthcoming one in October, amount to about 20¢/hr., including fringe benefits. A 3% increase productivity would yield about 18 cents an hour. The annual rate of increase actually appears to slightly exceed 3%, although different estimates of productivity vary somewhat.

At any rate, steel prices from 1956 to 1960 have been three times the increase in the all-commodity index, making steel the pace-setter in those terms. Actually some other products—textiles, leather, lumber, machinery—rose more than finished steel from 1958 to 1960.

## Surplus Buyers to Telephone Bids From Six Sites Around the Country

**Washington**—The Defense Dept. will conduct a unique surplus disposal sale this Wednesday (Aug. 30) in which buyers at six bidding sites throughout the country will make bids by telephone.

This is the first time the Pentagon has set up a surplus disposal sale of this type. In the past, it has experimented with the use of closed-circuit television to allow bidders at scattered sites to bid on surplus equipment being sold at a central depot.

This week's sale includes 435 items with a total original acquisition cost estimated at \$13.4-million. Included in the lot are maintenance and repair shop equipment, automotive engines and accessories, metalworking

machines, impregnating plant equipment, materials handling equipment, compressors, construction machines, assorted hardware, and other brand new and used military goods.

The surplus equipment lot is located at the consolidated surplus sales office at the Army's Atlanta (Ga.) general depot. Bidders will view the goods offered for sale in colored slides at the six bidding sites.

Bidding sites will be at the Hotel Claremont, Berkeley, Calif.; Hotel Cosmopolitan, Denver, Colo.; Deshler-Hilton Hotel, Columbus, Ohio; New Yorker Hotel, New York, N. Y.; Western Hills Hotel, Ft. Worth, Tex.; and the Henry Grady Hotel, Atlanta, Ga.

### No Price Decisions Yet

No decision on whether to pass the reduced material costs on to the customer have been made, according to the can fabricators. The steel companies undoubtedly would like to see lower prices to help in the fight with aluminum, but can makers have watched profit margins diminish in the struggle.

Much of the aluminum producers optimism stems from the recent decision of the Florida Citrus Industry to recommend that their members use aluminum cans for the 1961-62 crop. The recommendation isn't binding, but the majority of the members, who comprise private label brands accounting for 60% of the crop, are expected to go along.

### Aluminum Upswing

Orders for the new season are just coming into canners, but one leading packer, the Winter Garden Citrus Co., told PW orders to date indicate "a definite increase in aluminum use."

Aluminum producers fighting for a toehold in the can market have singled out the citrus industry as the prime target for several reasons. Long orchard-to-market shipping distances enable aluminum makers to claim hefty freight savings for the light weight metal. All-aluminum cans weigh 2 lb. per case less than tinplate.

In addition to the shipping factor, citrus cans allow use of a cement seam (canners can't weld aluminum at high speeds), and the heavy consistency of the concentrate allows use of a thinner can than might otherwise be necessary.



**An example of Avisco Rayons in Industry**



## **Why the medical profession is interested in new Medical grades of Avisco® rayon**

Wherever they have been demonstrated, medical grades of Avisco rayon have stirred the interest of manufacturers of medical and hygienic supplies. The reasons are clear.

1. They require no cleaning to remove foreign particles.
2. Products have less lint because the fiber length is controlled and uniform.
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Tests made by a leading manufacturer of surgical dressings and bandages dramatically prove that absorbent balls of an Avisco medical grade of rayon not only absorb water faster than the traditional fiber but also maintain a constant rate of absorbency regardless of age. And the same manufacturer states that the rayon balls hold their shape, wet or dry. See for yourself why

Avisco medical grade rayons are gaining rapidly in acceptance for medical-hygienic purposes. For information, send in the Quick Reply Coupon below.

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Industrial Merchandising Division  
American Viscose Corporation  
350 Fifth Avenue, New York 1, N. Y.

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Company \_\_\_\_\_

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# **AVISCO**



# **RAYON**

AMERICAN VISCOSE CORPORATION, 350 Fifth Avenue, New York 1, N. Y.



# Keezer: 'World Perspective From Atop Cape Cod'

(Continued from page 1)

tremendous changes in environment. I attended the first airplane flight in Denver, Colo. I rather imagine I got there on horseback. The plane crashed right after takeoff, and local newspaper editorials ruefully concluded that travel by heavier-than-air craft would not be feasible for Denver because of the rarified air at its mile-high altitude.

Recently, when I was flying at 23,000 feet (as I recall it) east-bound over Denver the pilot of the plane announced that, with the aid of a tailwind, we were going 700 miles an hour. But I, along with millions of others, had managed the adaptation from horse and buggy days well enough so that this seemed quite normal and comfortable to me. What a wonderfully adaptable little creature the human animal really is!

I confess that these cheerful reflections are influenced by the fact that I am sitting on a sun soaked strand, watching breakers

white with foam come dancing and glittering up a Cape Cod ocean beach. In a vague way I am "sitting on" two small grandsons industriously at work to repel the incoming tide with various sand works, some of them quite ingeniously constructed. The beach slopes gently to the sea so, if it should occur to them to try to swim to Portugal, as it well might, the breakers will roll them back to me before they drown.

In such an idyllic situation I simply refuse to concentrate on the Berlin, Bizerte, and assorted crises around the world. This must come later.

Right now my mention of air travel has pleasantly reminded me of a small triumph I have had in rousing the solicitude of an airline for my bruised feelings after it had done a positively prodigious job in tangling up a trip for me.

First, the airline failed to record the confirmation of my flight to New York via Chicago (which it agreed had been properly

made), so I had to stand by to get aboard the plane. When I succeeded in this uncomfortable operation, I said that in the face of such incompetence I wished to supervise personally the loading of my bag on the plane. This was done, but at Chicago they managed to get my bag off the plane and lose it. It was sent along later on a plane bound for New York, but that plane got detoured to Philadelphia by weather. Then, with really magnificent imprecision, the bag got sent over New York to Boston, and finally showed up at my place in New York a couple of days later.

In reporting this performance to the airline I said I probably should sue both for loss of the use of my equipment and for mental anguish. But I recalled that over the years and scores of flights on this airline I generally had had from good to fine service. "But," I concluded, "I think you should have someone who is trained to sound sincere call and tell me you are sorry." I have had at least four expressions of sorrow, three of them personal, about the bungling of the flight. They all sounded most sincere. And along with them came a variety of handsome badges testifying to my extensive use of the airline which now goes back a full generation and some hundreds of thousands of miles—another testimonial, of sorts, to the ingenuity and indestructibility of man. And on that aspect, rather than his disasters, past and perhaps incipient, I intend to concentrate for this cheerful interlude.

## Westinghouse Electronic Tube Division to Select Specialized Distributors

Elmira, N. Y.—Westinghouse Electric Co. has cancelled the franchises of 315 distributors for its electronic tube division in order to provide a "more selective distribution base."

Westinghouse said this represents about one-third of the division's total number of wholesale outlets across the nation. The division's products include receiving tubes, television picture tubes, special-purpose cathode ray tubes, and special-purpose industrial tubes such as microwave and power tubes.

Fred H. O'Kelley, manager of distributor products and sales, emphasized that, "While there is no thought of exclusive distribution, we intend to be more selective in distributor appointments and will recognize that many distributors are specialists in certain fields."

He said Westinghouse now is working out plans for a new distribution program which will offer several different types of franchises based on specialized distributor needs. Merchandising methods also will be revamped to recognize the different problems of the various categories of specialized distributors, said O'Kelley.

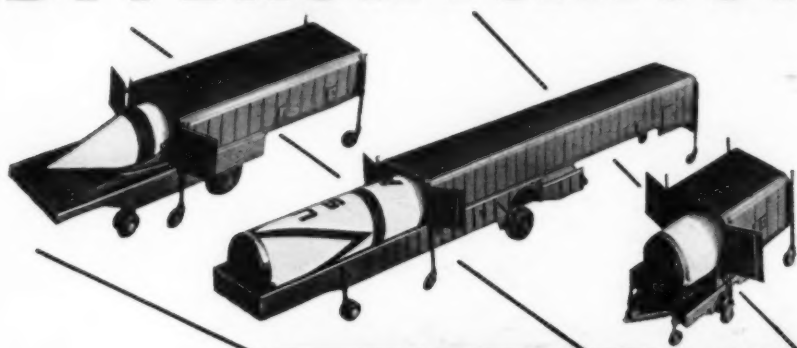
Westinghouse said it expects to start making distributor appointments under the new program in about three months.

## Silicon Names Distributor

Carle Place, N. Y.—Silicon Transistor Corp. has named N.E.E.D., Inc., of Watertown, Mass., as a distributor of its semiconductors.

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## DIVERSIFICATION...



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for a Fruehauf representative to give you complete details, or write for your copy of FRUEHAUF G.S.E., Fruehauf's latest 4-color military and missile brochure.



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**MISSILE PRODUCTS DIVISION — LOS ANGELES 58, CALIF.**



## More Freight Stops Abandoned by Eastern Rails

**Philadelphia** — Eastern railroads are continuing to cut back LCL service despite the recent boost in pickup and delivery charges granted by the Interstate Commerce Commission.

Latest move is by the Pennsylvania-Reading Seashore Lines, which plans to eliminate interstate LCL service at 11 New Jersey stations on Sept. 1. The line will continue, however, to handle certain interstate LCL shipments at six of these points. At another New Jersey station—Berlin—the railroad plans to handle only those LCL shipments weighing more than 4,000 lb.

The Pennsylvania Railroad

also has announced plans for a sharp curtailment of interstate LCL service at 41 stations in Indiana. The railroad proposed to make the cutback in two stages. On Sept. 1 it plans to stop handling LCL shipments weighing less than 10,000 lb. at 16 of the Indiana points and on Sept. 15 to eliminate the service at the other 25 stations. Interstate LCL service at Louisville, Ky., also will be curtailed Sept. 15.

These are the latest in a series of railroad moves, which earlier

this month included ending of interstate LCL service by the Pennsylvania-Reading at 22 other New Jersey points, 21 in Ohio and 7 in Indiana. The Lehigh Valley Railroad also received ICC permission to end its LCL service at Hazelton, Pa.

The current proposals have been protested to the ICC by the Railway Labor Executives Assn., which claims the argument of the railroads that LCL traffic is not so profitable as other freight is not a valid reason for abandoning the service.

## Adamas Carbide Lists Price Cuts, New Items

**Kenilworth, N. J.**—Adamas Carbide Corp. has lowered prices on a wide range of tungsten carbide tools, tool tips, dies, and wear parts.

The company said the most important change has been in the price of blanks, which have been reduced by as much as 18%. The new prices are given in a 48-page price list, which also contains a number of new items, such as positive rake Dex-A-Tools, solid carbide circular form tool blanks, rectangular reamer tips, honed inserts and super pre-

cision inserts. In addition, the list introduces a new job-proven grade of carbide for general purpose milling of cast iron.

## County to Buy Local Coal

**Chattanooga, Tenn.** — The County Council has initiated a new policy that will allow coal to be purchased on a contract basis from local dealers at a price no higher than the average of three bids recently rejected. The council expects the plan will provide "quality coal" for less money than outside dealers can supply it. County coal purchases last year totaled 6,420 tons at a cost of \$65,000.

## ICC Lifts Suspension, OKs Increased Rates Set by Eastern Truckers

**Washington** — The Interstate Commerce Commission has lifted its suspension of various increases in truckload commodity rates and a 10% increase in accessorial charges proposed by the Eastern Central Motor Carriers Assn.

The Commission's Division 2 refused, however, to upset the existing suspension of a scale of "constant charges" proposed by the association and various increases on shipments in weight brackets between 300 and 1,999 lb.

The commission suspended all of the proposed increases June 8 for seven months and placed them under investigation. The association later petitioned "in desperation" for vacation of the suspensions. It cited the need for new revenue to meet the wage increases and higher operating costs.

In another ruling, the commission ordered cancelled by Sept. 28 proposed rules governing rates to unnamed points served by common motor carriers operating over irregular routes.

The Commission's Division 2 acted in a single decision covering four cases. The irregular route truckers had proposed various rules for determining rates to points not specifically named in their tariffs. The division says the rules are too indefinite.

## New Standards Published On Aluminum Wire Reels

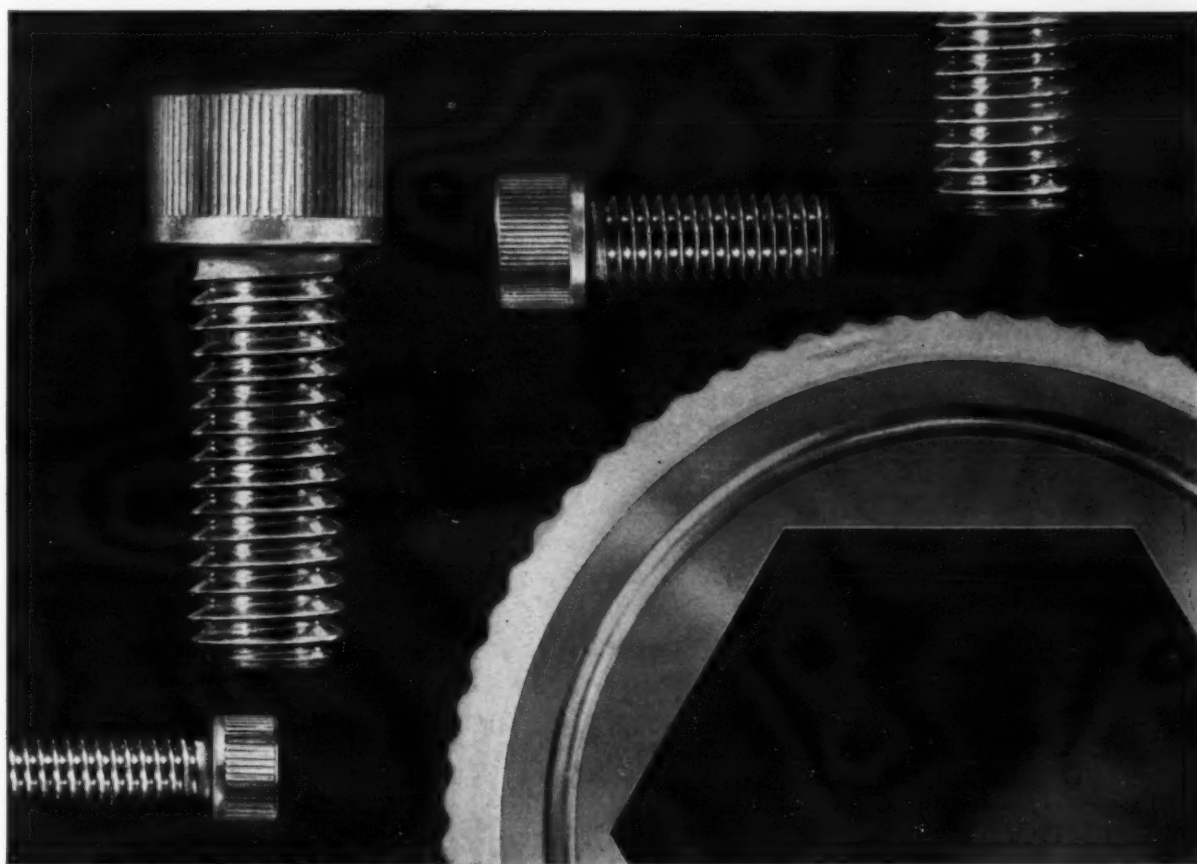
**New York**—A set of standards for reels holding aluminum conductors has been issued by the Electrical Conductor Div. of the Aluminum Assn.

The standards provide for 12 reel sizes ranging in capacity from 9,950 to 187,000 cu. in. Seven of the proposed sizes are non-returnable wooden reels and five are the returnable metal type reel.

A booklet describing the standards can be obtained from the Aluminum Assn., 420 Lexington Ave., New York 17, N. Y.

## Du Pont to Build Pipe Plant

**Tulsa**—Du Pont Co. will build a \$1.5-million plant here to manufacture pipe from the company's new Delrin acetal resin plastic. Capacity will be about 5-million lb./yr. Production will begin sometime next summer.



Groove around socket identifies UNBRAKO KS 812 stainless socket cap screw, a new high-performance standard fastener certified for 125,000 psi minimum tensile strength. SPS Bulletin 2734 gives complete data.

## UNBRAKO KS 812: the first certified high-tensile stainless socket screw

Next time engineering or production calls for stainless socket screws with extra high tensile strength, you can forget about specials. New UNBRAKO KS 812 stainless steel socket head cap screws give you 125,000 psi *minimum* tensile, certified by an affidavit accompanying every shipment. No other standard stainless cap screw is even offered at this strength level, let alone certified.

The KS 812 is the latest in SPS' new UNBRAKO K Series—a line of high-performance standard fasteners embodying the most wanted features in specials. Available in quantity off the shelf, these high-strength standards not only solve design problems, but, more important to you, eliminate the headaches associated with specials—extra cost, extra paperwork, delivery delays.

Precision forged from high-grade austenitic stainless, UNBRAKO KS 812 socket head cap screws are available in sizes #8 through 3/8 in., coarse or fine thread. They are serviceable from -300° to 800°F, are highly corrosion resistant, and offer exceptionally low magnetic permeability (under 1.2). Ask your UNBRAKO distributor for more information or write Standard Pressed Steel Co. for new Bulletin 2734. INDUSTRIAL FASTENER DIVISION, SPS, JENKINTOWN 48, PENNSYLVANIA.

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**AIR WAREHOUSE:** Inflatable structure manufactured for B. F. Goodrich by CID Air Structures Co., Chicago, can be erected in two days to provide storage space for meeting peak seasonal retail sales demand. Structure at left, along with second unit, cost Goodrich \$25,000, is expected to cut 80% from usual cost of leasing space in permanent building. Inflated unit is 180 ft. long, 60 ft. wide, 30 ft. high, can be deflated and rolled into 10x4 ft. bundle in a few hours. Entry is through air lock. Translucent material requires no artificial light.

## NIGP Urges P.A.'s to Employ Model Yardstick in Contracting Architects

**Grand Rapids, Mich.** — The procedure used by this city for selecting an architect has been recommended by the National Institute of Governmental Purchasing as a model for purchasing agents faced with the problem of contracting for professional services in other fields.

Grand Rapids began its screening process, according to the Institute, by sending a letter to local architects listing five yardsticks which would be used to

evaluate the candidates. These were:

- Workload of the architect.
- Manpower available for the job.
- Availability of the time of the principal architect.
- Experience in design of public buildings.
- Time required to complete the design.

The initial letter also specified a fee schedule, eliminating any discussion of bidding.

Approximately half the architects answered, and of that number, four were selected as "finalists." They were interviewed individually and the final selection was made on the basis of the five original criteria plus an additional subjective category, which took into account miscellaneous factors which might have contributed to or detracted from an architect's suitability for the job.

## Plastic-Metal Compound Promises Lower Costs In Tool Die Production

**Seattle** — American - Marietta expects to start full production soon of a new plastic-metal compound for low-cost production of tools and dies. The company developed the material jointly with Boeing Associated Products.

The powder, believed to incorporate aluminum chips and epoxy resin, can be thermoset in molds with tolerances as close as .001 in. and is said to produce dies at half the cost of metal dies. Savings are realized mainly from elimination of costly machining and hand finishing.

The material is said to combine the strength of plastic with the heat conductivity of metal and, in many instances, can be used to produce production tools as well as prototype models.

Boeing expects the new compound to gain rapid acceptance in tool production for such industries as aircraft, missiles, automobiles, foundries, appliances, and plastic and metal forming.

End products such as automobile instrument panels, small boat hulls, shipping containers and boxes, parts and cases for radio and portable television sets, vacuum cleaners, typewriters, sewing machines, furniture, luggage and vending machines also are foreseen.

## Olin Mathieson Plans Copper, Brass Expansion

**New York**—Olin Mathieson Chemical Corp. plans to spend over \$20-million during the next three years to expand and modernize its brass operations.

Stanley de J. Osborne, Olin president, said the program will include construction of a new brass and copper casting and rolling plant at East Alton, Ill.; modernization and replacement of various finishing mills, annealing, slitting and other facilities at existing brass plants in Easton, Alton, and New Haven, Conn., and modernization of a brass fabricating plant in East Alton. The entire program is scheduled for completion in early 1964, he said.

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# Industry News in Brief

## Gulf to Build

**Houston**—Gulf Oil Corp. will more than double its present ethylene capacity with a new plant to be built near Mont Belvieu, approximately 30 miles east of Houston. The facility, with ethylene capacity in excess of 400-million lb. yearly, will go on stream in mid-1963. Gulf also plans to use the site for a large petro-chemical complex.

## Allied to Install RW-300

**Ironton, Ohio**—Allied Chemical Co. will install a Thompson Ramo Wooldridge RW-300 digital control computer at its Nitrogen Div. plant here, making it the company's first fully automated facility. The control system is expected to be in operation before the end of the year.

## Shell Boosts Capacity

**Torrance, Calif.**—Shell Chemical Co. completed an expansion program at its Synthetic Rubber Div., plant here, raising the unit's capacity by 70%.

## Reed Diversifies

**Houston**—Reed Roller Bit Co. has acquired Diamond Metal Co., a manufacturer of tungsten carbide surfacing materials and castings used in the mining, quarrying, construction, and oil tool industries. Diamond is the third firm that Reed has acquired in recent months in its move away from dependence on the petroleum industry.

## AviSun To Open Plant

**Philadelphia**—AviSun Corp. said its new 100-million-lb./yr. polypropylene plant at New Castle, Del., will be officially opened Sept. 21. The company is owned jointly by American Viscose Corp. and Sun Oil Co.

## Pacific Named

**Compton, Calif.**—Pacific Pneumatics here was appointed Southern California sales representative for Sutorbilt Corp., a manufacturer of blowers, vacuum pumps, and compressors. Sutorbilt is a subsidiary of Fuller Co., Catasauqua, Pa.

## GAC Expands

**Torrance, Calif.**—General Aluminum Corp. has doubled its plant space here and installed new equipment that increases the company's production rate to 3½ miles of aluminum tubing per hour.

## Lincoln Opens Warehouse

**Cleveland**—Lincoln Electric Co. has opened a new combination office-warehouse in St. Louis, which will handle distribution of its complete line of welding equipment and supplies in that area.

## Cenco Buys Instru-Coil

**Chicago**—Cenco Instruments Corp., a producer and distributor of scientific apparatus, has acquired Instru-Coil Co., Cincinnati, which manufactures precision springs and coils. Instru-Coil

recently has been specializing in coil components for computers.

## Porter Buys

**Pittsburgh**—H. K. Porter Co., Inc., has purchased National Cornice Works, Inc., Los Angeles. Porter said it will operate the firm, which is primarily a manufacturer of fans and blowers for commercial and industrial ventilation, as a wholly owned subsidiary. Some of its large-sized fans and blowers, however, will be distributed on a nation-

wide basis by Porter's Peerless Electric Div.

## Pangborn Expands

**Hagerstown, Md.**—Pangborn Corp. has established a new department for the manufacture and marketing of special rubber and plastics finishing machines and equipment. The need for improved rubber and plastics deflashing methods prompted the move. Pangborn said the new activity is a logical extension of its finishing machine business.

## Spencer Acquires

**Kansas City, Mo.**—Spencer Chemical Co. will acquire Perkins Glue Co., Lansdale, Pa., a producer of woodworking glues used in the furniture, plywood and chipboard industries. The purchase will mark Spencer's entry into the adhesives field.

## MSL to Buy

**Chicago**—MSL Industries, Inc., a producer of industrial fasteners, said it plans to purchase Joliet Wrought Washer Co., Joliet, Ill., a manufacturer of metal washers for industrial use.

## Okay Name Change

**Philadelphia**—Shareholders of Air Products, Inc., voted to change the name of the company to Air Products & Chemicals, Inc. They also approved the merger of Southern Oxygen Co., Bladensburg, Md., into the company.

## Monsanto Plant on Stream

**Long Beach, Calif.**—Monsanto Chemical Co. has begun operating a new plant here for making plasticizer compounds. Monsanto said the unit has a capacity of about 15-million lb. of phthalate esters annually.

**Think Quality...**



## THE CONSISTENT QUALITY OF HOLO-KROME THERMO-FORGED\* SOCKET SCREWS CUTS REJECT AND IN-WARRANTY SERVICE COSTS

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free from flaws, checks and hidden imperfections, with dimensional precision unattainable with ordinary forging methods. THERMO-FORGED socket screws can materially increase your profits by reducing rejects and in-warranty service costs. See your authorized Holo-Krome distributor or write for more information.

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## Purchasing Week

Associated  
Business  
Publications



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# Management Memos

## The Work Addict

Psychiatrists are becoming increasingly concerned over the business executive who is governed by an irrational compulsion to keep always on the go—whether at home or in the office—until he drives himself to the verge of nervous exhaustion.

What makes the work-addicted executive's case so disturbing, according to Dr. Nelson Bradley, chief of psychiatric studies at Lutheran General Hospital, Park Ridge, Ill., is society's "unquestioned acceptance" of his behavior as socially constructive and, hence, worthy of the highest rewards. But the truth is, says Dr. Bradley, that the work addict "is just as self-destructing, just as damaging to the family relationship" as the compulsive gambler, the dope addict, or the alcoholic.

Diagnosing this fellow's neurosis in *Sales Management* magazine, Dr. Bradley makes a clear-cut distinction between an honest day's work done to satisfy the genuine demands of a job and "true work addiction," or work for work's sake alone. The work addict, he points out, creates his own psychological problems by setting impossible goals for himself. What's more, he's a perfectionist who is unable to delegate responsibility and who likes to dramatize himself in the role of indispensable man by staying late at the office every night or leaving with a briefcase that bulges conspicuously.

The hard driver carries his tensions home with him where he communicates them to the family because of his inability to relax or enjoy any of the pastimes of the tired executive. He can't bear to have any time on his hands, so he applies himself with the same quiet desperation to a Sunday game of golf as he does to the papers on his desk.

As a first step towards a cure, Bradley suggests that the work addict face up to the real reasons behind his excessive behavior.

From this as a starting point, the addict can go on to "attack the sacred cows in his life." Ultimately he may find, according to Dr. Bradley, that the "real answer is a whole new philosophy of life. The obvious bizarreness of many types of addictions often spurs the addict to seek a change in values which have become distorted."

## The Inventory Gamble

The American businessman is playing a perilous game of trying to get someone else to carry his inventory burden for him. The big danger is that as more and more people get into the game of lowering inventory-to-sales ratios and increasing inventory turnover, business cycles tend to fluctuate violently and unpredictably, according to Lionel D. Edie & Co., a New York management and economics consulting firm.

The effect of shrinking inventories is felt throughout the economy, the Edie reports points out. For one thing, it makes the job of business planners a lot more difficult and hazardous. "The production stream is subject to more stop and go than ever before. When demand increases, production is increased immediately; when demand decreases production decreases immediately."

As a result, the Edie report adds, "The lag effect between demand and production is decreasing. Changes in demand are now becoming changes in production, because the inventory buffer is too slim to take up the changes in demand."

The difficult situation created by these policies is further compounded by the fact that consumer demand is unstable and frequently subject to erratic change. To illustrate this erratic demand pattern, Edie cites these two cases: Since January, TV buying has gone from a rate of 4-million units to more than 9-million today, autos from a 4-million rate to better than a 6-million rate recently.

## Purchasing Parade



"Any time they need me, I'm glad to help out." This is probably a good motto for any P.A., but for Jack Branson, City P.A. in St. Petersburg, Fla., it has a special meaning. His particular case calls for filling in for the city manager every time one is thrown out. Branson (pictured above) will go down as the eleventh man to fill the manager's post since this form of government was adopted (some 30 years ago.)

The last time he filled in was a brief but hectic week in mid-July when he took over as acting manager during the city's budget-making period. Not the least of his worries was the \$31-million budget prepared by the last city manager. Branson is now back in the comparative quiet of his purchasing agent's office, and as

always, he is "still glad to help out."

Transplanted P.A.: Former Oklahoman Clair V. Short, recently transferred and promoted to Vice President-Purchasing at Armour & Co. (Chicago), relaxes after working hours with a specialized form of gardening.

He cares for some 50 rosebushes in summer and 40 to 50 African violet plants in winter. And the "sweeter than the roses" violets are growing wild. Short started with a planting area about 15' by 4' on his patio and wound up building a family room around the violets and installing special fluorescent lighting. He says his wife has tolerated all this, but put up some resistance when he tried to put through a "purchase order" for an underground heating cable.

Personal glimpses of P.A.'s as they march by in the news

Recently named Purchasing Agent for Braniff International Airways (Dallas) is Embree Buntin, another green thumb addict who spends most of his spare time puttering around the yard and garden.

■ ■ ■

Two P.A.'s from E. I. du Pont de Nemours & Co. (Wilmington, Del.) with some collectors' items to show for their spare-time activities are:

• Lindsley R. Bailey, new Director of Purchasing, who has been an avid coin collector for the past 30 years. His specialty is American coins.

• John M. Brentlinger, Jr., new Assistant Director of Purchasing, who is a collector of antique flint-lock pistols.

Brentlinger, who's always been fascinated by old pistols, has a collection of firearms ranging generally in the Revolutionary and post-Revolutionary period. His earliest pistol dates back to 1760 and the latest about 1810.

■ ■ ■

Another historic minded P.A., Joseph H. Hanzlik, purchasing analyst at Thompson Ramo Wooldridge, Inc. (Cleveland), is a member of the Gates Mill Historical Society and has organized a rifle club. When he's got a spare minute, Hanzlik lends his voice to a nationality singing group, is an active community worker, and is a member of the local improvement society.

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## Purchasing Week Asks

### To what extent should purchasing be involved in capital purchases?

Question asked by: **Bruce Fergusson, Purchasing Agent**  
Master Pneumatic, Inc., Detroit



**M. E. Taylor, director of purchasing, Aircraft Div., Hughes Tool Co., Culver City, Calif.:**

"We feel the rules for sound procurement apply to capital purchases as well as to production materials. The principles of value analysis and standardization have much to offer in capital equipment buying. Service is also a very important factor which cannot be overlooked. A well-organized purchasing department is trained to evaluate this basic requirement, particularly in the purchase of capital equipment. Purchasing definitely has much to contribute. In our company all departments are instructed to obtain all equipment and materials through purchasing."



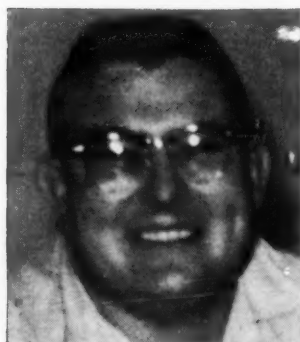
**R. S. Johnson, purchasing agent, Didde-Glaser, Inc., (collating machinery), Emporia, Kan.:**

"Purchasing should be involved only with placing the order with a reputable firm that it feels will stand back of its product. Of course, we would secure quotations and delivery information as requested, but the selection would be made by the production manager or equipment engineer. We should, however, keep up-to-date files and be familiar with machine tools and their applications in order to lend assistance when a selection is being made."



**D. H. Lyons, director of purchasing, Johns-Manville Corp., New York:**

"In our company the purchasing department has full responsibility for all buying. This includes capital expenditures. All inquiries for capital goods are placed through the purchasing department. Bids are reviewed and discussed with others concerned, including production and engineering. Full weight is given to the recommendation of others and the business is awarded to the bidder that will supply the capital equipment that best serves the firm's over-all need."



**M. F. McClelland, purchasing agent, K-F Products, Inc., Denver:**

"Our business is precision machining and electronics manufacturing. A large percentage of purchasing agents would not be qualified to select a machine tool such as a turret lathe or electronic test equipment. The selection of such items should be made by qualified parties such as the shop superintendent or electronics engineer, consulting with management for final decision."



**H. L. Caldwell, purchasing manager, Central Transformer Corp., Pine Bluff, Ark.:**

"I feel that all capital expenditures should be made with purchasing's guidance. We realize that often management makes commitments or authorizes capital expenditure without using the experience and capabilities of its purchasing department. It is purchasing's responsibility to negotiate the best agreement or contract possible in the interest of the company. In an average size company, a good purchasing department demonstrates its ability in spending millions of dollars a year for production materials and equipment. This same ability should be used for capital purchases."

**Suggest a Question to:** **PURCHASING WEEK Asks**  
330 West 42 St.  
New York 36, N.Y.

## Follow-Up: Letters & Comment

### Wants List

**Cleveland, Ohio**  
Please forward list of firms currently developing electrostatic copying machines as mentioned in your July 10 issue ("New Electrostatic Units Hit Office Copying Field; SCM Set to Make Debut," p. 1).

**F. E. Holly**  
Buyer  
Cleveland Pneumatic Tool Co.

### • There are five firms we know of:

**American Photocopy Equipment Co.,**  
55 East 34 St., New York, N. Y.:

**BBM Photocopy Mfg. Corp.,** 42 West 15 St., New York, N. Y.:

**Haloid Xerox, Rochester 3, N. Y.**

**Savin Business Machines, 161 Sixth Ave.,**  
New York, N. Y.:

**Smith-Corona Marchant, Inc., 410 Park Ave.,** New York, N. Y.

### Correct Price

**New York, N. Y.**  
Thank you very much for your interest in the new IBM Selectric typewriter (PW, Aug. 7, '61, "New IBM Typewriter Eliminates Conventional Carriage and Type Bars," p. 1).

Your article states that the price is \$345. The correct price for the Selectric is \$395 and the large model is \$445.

**D. L. Trowsell**  
Manager  
Information Dept.  
Electric Typewriter Div.  
IBM

### To Our Readers

This is your column. Write on any subject you think will interest purchasing executives.

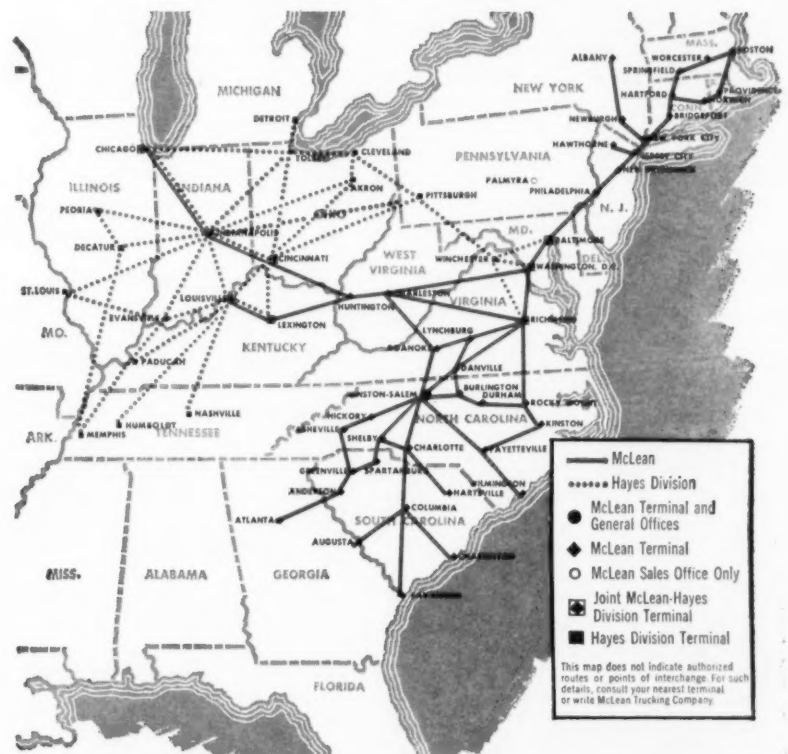
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New York 36, N. Y.

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# FLYING P. A. IS A ONE-MAN GANG

- *In Charge of 'Building' a Papermill*
- *On the Go Seven Days a Week*
- *Learning Railroading on the Side*

A lone-wolf P.A. for Southern Land, Timber & Pulp Corp. is hard at work "building" a \$43-million papermill and railroad in southwest Georgia. It's a job that seldom falls to a desk-bound executive, and the P.A.—J. W. Dobson—is anything but that. He's on the move constantly, buying all the capital equipment and construction materials for the new industrial complex, and expediting, coordinating delivery schedules, and inspecting the progress of the entire project.

Dobson also is secretary of the Chattahoochee Industrial Railroad, a wholly-owned spur with which Southern Land is linking the mill to the Atlantic Coast Line and Central of Georgia railways. And as such, he's applying himself to learning the almost lost art of railroading.

The Chattahoochee Industrial will maintain its own operating staff and rolling stock. Dobson's chief interest in the line now is seeing that construction is kept on schedule so that the cars will be ready to haul materials for the mill in coming months.

## Profitable Railroad Operation Expected

Southern Land predicts healthy revenue returns from its papermill freight alone. What's more, it expects the road also will attract other new businesses to the hitherto inaccessible area.

Because his home office is in Atlanta, 200 miles cross-state from the 1,500-acre pine stand where Southern Land is now bulldozing for the mill and rail line, Dobson often commutes by air to inspect the results of his office "routine."

"This buying has kept me hopping seven days a week for the last six months," says Dobson, who up to now has functioned as a one-man purchasing department, with only clerical help. "All the major items have been ordered, but we still have about \$2-million in miscellaneous buying ahead of us."

Since last August, when he came to Southern Land as head P.A., Dobson has researched, negotiated, and concluded some \$20-million worth of equipment orders. These have ranged from paperclips to railroad ties; from bricks to steam boilers. Everything, in fact, needed to get the 1,200 ton-per-day kraft paperboard plant on-stream by December, 1962.

One supplier who has observed Dobson at close range says, "He's doing a fantastic amount of buying in a short time. He's a meticulous planner, and his meetings with suppliers are scheduled down to the minute. He has a crystal-clear idea of what information he wants—and he gets it. Then he discusses it with his engineers and makes a clearcut decision."

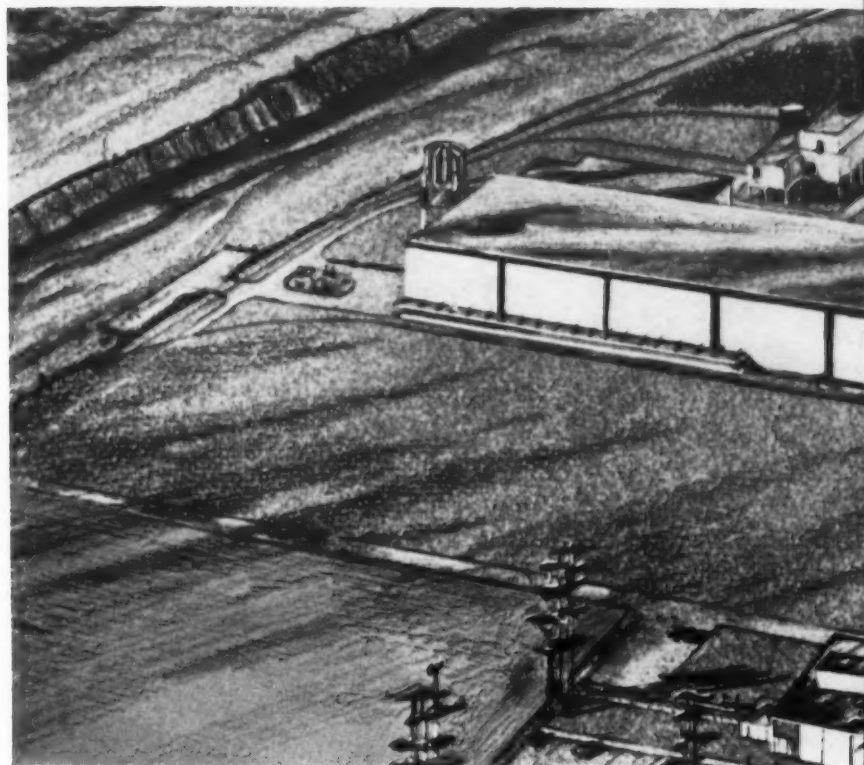
## Precision Timing Needed

Construction and logistic support on the company's remote forest site have had to be planned with the precision timing of an amphibious assault landing. But Southern Land has left Dobson considerable free rein in his choice of suppliers of capital equipment. The company engineers list the firms they want included on the list of bidders, and he's free to add others as he chooses.

What kind of background led to this big assignment? Dobson's a P.A. with 10 years' experience in papermill buying. He has a BS in business administration from the University of Alabama. To get his degree, he drove 100 miles three nights a week for three years, while working during the day in a papermill's purchasing department. Then, he did another tour of night study—in industrial purchasing—at the University of Chattanooga.

Dobson's commuting days will be over in November, when he and other Southern Land executives now in Atlanta will move into a new \$300,000 administration building next door to the plant. He expects to hire an assistant P.A. soon, to help him keep tab on deliveries of machinery and materials he's already ordered.

"I'll really need an expeditor when deliveries start coming due!" he says. "So far, we've had almost no knotty problems, but things are bound to get hectic soon. Timing, of course, is critical on a project such as ours."

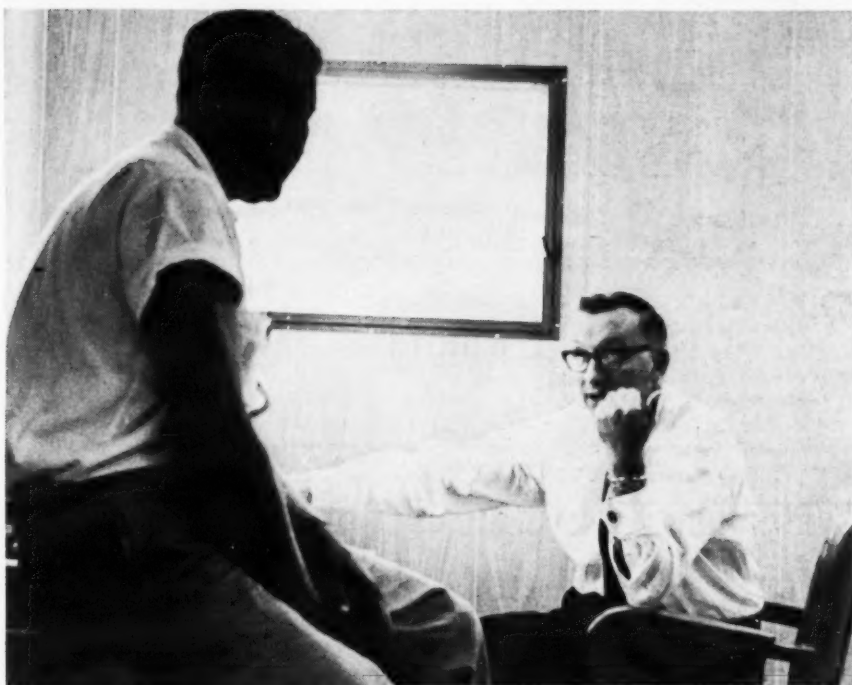
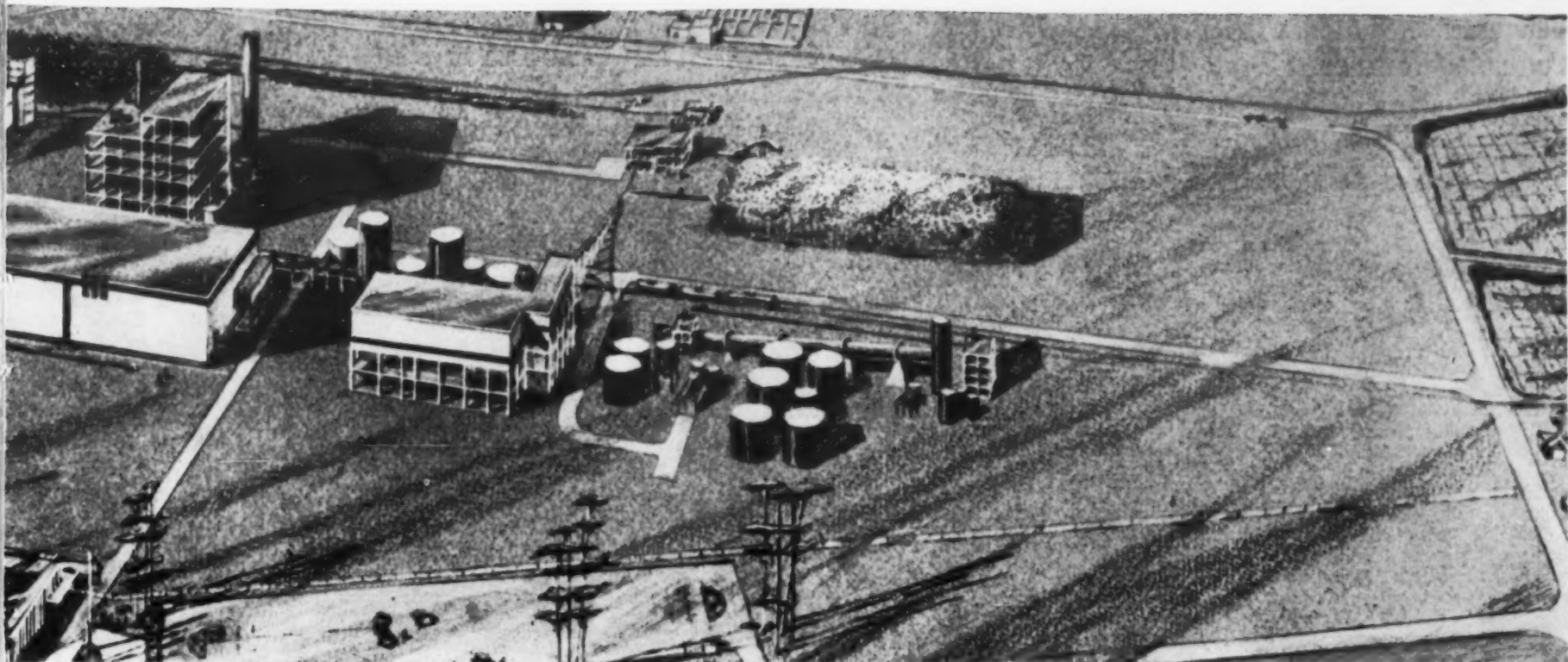


**1** **EARLY MORNING ARRIVAL:** Dobson arrives from Atlanta to inspect construction progress at the site of Southern Land's \$43-million works (sketch above). Pilot is Richard Kemp, engineer for Kline Iron & Steel Co.



**4** **ICE-WATER BREAK:** In near-100F heat, Dobson (l) takes a breather and chats with (l to r) E. C. Zuelke, construction supt., B. W. Moore; J. W. Morgan, Kline sales manager; and Kline's engineer-pilot, Richard Kemp.





**2.** **PLANNING THE DAY:** Work starts with a review of recent construction developments and snags. Here, in mobile field office, Dobson asks Southern Land's civil inspector B. W. Moore to watch for a shipment.



**3.** **IN THE FIELD:** Dobson watches bulldozers clear right-of-way for the Chattahoochee Industrial Railroad, a 19-mile spur line Southern Land will operate to connect its papermill with Georgia's main rail arteries.



**5.** **BACK TO WORK:** On the job again, Dobson looks over some materials stockpiled for administration building at right. With him is Ivan Dove, construction supt. for Daniel Construction Co., Greenville, S. C.



**6.** **POST-MORTEM SESSION:** Back in Atlanta after day in the field, Dobson and Morgan hold a last-minute review of delivery dates in airport lounge. His trips come frequently, but he will move to site soon.



## Buffalo Univ. and P.A.'s Offer Purchasing Techniques Course

Buffalo, N. Y.—Price analysis and negotiating techniques for procurement people will be reviewed at a fall purchasing seminar sponsored by the Buffalo Purchasing Agents Assn. in conjunction with the University of Buffalo.

Oct. 4 marks the first meeting of this nine-session evening course which will run through Dec. 6. Purchasing classes will begin at 8:00 P. M. and last until 10:00 P. M.

### The Courses

Two of the sessions will be devoted to termination—termination by completion, termination by cancellation by purchaser, and termination by cancellation by vendor will all be reviewed.

The first class session will cover accounting. Other topics slated for discussion at the fall seminar include: incremental analysis; types of contracts; prenegotiation; negotiation and implementation; renegotiation; and problems related to government contracts.

## This Month's Industrial Wholesale Price Indexes

Item	Latest Month	Month Ago	Year Ago	% Yrly Change	Item	Latest Month	Month Ago	Year Ago	% Yrly Change
Cotton Broadwoven Goods.....	96.6	96.4	103.9	- 7.0	Industrial Furnaces & Ovens....	122.5	122.5	121.3	+ 1.0
Manmade Fiber Textiles.....	91.5	91.5	97.0	- 5.7	Industrial Material Handling Equipment.....	108.5	108.5	106.9	+ 1.5
Leather.....	116.3	116.3	115.9	+ .3	Industrial Scales.....	115.7	115.7	115.7	0
Gasoline.....	98.0	97.6	97.1	+ .9	Fans & Blowers.....	104.7	104.7	104.5	+ .2
Residual Fuel Oils.....	80.1	80.1	79.7	+ .5	Office & Store Machines & Equipment.....	105.9	105.4	104.9	+ 1.0
Raw Stock Lubricating Oils....	111.9	111.9	109.5	+ 2.2	Internal Combustion Engines....	105.2	105.2	103.9	+ 1.3
Inorganic Chemicals.....	104.0	104.0	103.4	+ .6	Integrating & Measuring Instruments.....	121.6	121.6	121.3	+ .3
Organic Chemicals.....	94.6	96.1	99.7	- 5.1	Motors & Generators.....	96.7	97.3	100.9	- 4.2
Prepared Paint.....	106.7	106.7	103.5	+ 3.1	Transformers & Power Regulators.....	90.4	90.4	97.1	- 6.9
Tires & Tubes.....	93.1	93.1	95.0	- 2.0	Switch Gear & Switchboard Equipment.....	106.0	105.7	105.6	+ .4
Rubber Belts & Belting.....	108.1	110.5	105.5	+ 2.5	Arc Welding Equipment.....	104.0	104.0	109.1	- 4.7
Lumber Millwork.....	103.0	104.1	106.6	- 3.4	Incandescent Lamps.....	131.6	131.6	130.9	+ .5
Paperboard.....	90.3	94.6	99.8	- 9.5	Motor Trucks.....	105.3	105.6	106.2	- .8
Paper Boxes & Shipping Containers.....	92.4	92.4	105.2	-12.2	Commercial Furniture.....	106.1	106.1	106.9	- .7
Paper Office Supplies.....	103.5	103.5	103.2	+ .3	Glass Containers.....	102.8	104.4	103.3	- .5
Finished Steel Products.....	108.5	108.5	108.8	- .3	Flat Glass.....	96.0	96.0	95.9	+ .1
Foundry & Forge Shop Products.....	108.3	108.3	108.4	- .1	Concrete Products.....	104.5	104.5	104.5	0
Nonferrous Mill Shapes.....	96.1	95.5	100.0	- 3.9	Structural Clay Products.....	107.3	107.3	107.4	- .1
Wire & Cable.....	87.9	87.9	88.4	- .6	Gypsum Products.....	105.9	105.9	104.7	+ 1.1
Metal Containers.....	106.2	106.2	104.1	+ 2.0	Abrasive Grinding Wheels.....	94.4	94.4	94.8	- .4
Hand Tools.....	113.6	113.6	112.2	+ 1.2	Industrial Valves.....	114.7	114.8	117.1	- 2.0
Boilers, Tanks & Sheet Metal Products.....	101.5	101.5	102.2	- .7	Industrial Fittings.....	89.9	89.9	92.6	- 2.9
Bolts, Nuts, etc.....	112.1	112.1	106.3	+ 5.5	Anti-Friction Bearings & Components.....	89.2	89.2	90.8	- 1.8
Power Driven Hand Tools.....	111.8	111.2	108.6	+ 2.9					
Small Cutting Tools.....	114.9	115.5	119.6	- 3.9					
Precision Measuring Tools.....	115.1	113.2	109.5	+ 5.1					
Pumps & Compressors.....	112.7	112.7	112.4	+ .3					

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2 1/2	x 2	4	x 2	4 1/2	x 3 1/2
2 3/4	x 2	x 2 1/4	x 2 1/4	x 3 3/4	
x 2 1/4	x 2 1/4	x 2 1/2	x 4		
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x 3	x 3 3/4	x 3			
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x 2 1/4	x 2 1/4	x 3 1/2			
x 2 1/2	x 2 1/2	x 3 3/4			
x 2 3/4	x 2 3/4	x 4			
x 3	x 3	x 4 1/4			
x 3 1/4	x 3 1/4	x 4 1/2			

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AUGUST UP SWEEP should occur in Purchasing Week's industrial price index after dropping fractionally to 102.4 in July. The upward shift will come as recent boosts in metals, paper, and plywood are fed into the index. For the longer pull prices should inch ahead—maybe to 103.0 by late fall—in line with generally firming demand. Significant decreases in chemicals, rubber belts and belting, lumber millwork, paperboard, and glass containers eased the index last month (down from 102.5).



## Meetings You May Want to Attend

### First Listing

American Society of Mechanical Engineers—International Conference on Heat Transfer, Boulder, Colo., Aug. 28-Sept. 1.

American Chemical Society—National Meeting, Chicago, Sept. 3-8.

National Electronics Conference—International Amphitheater, Chicago, Oct. 9-11.

Metal Mining & Industrial Minerals Convention—Seattle, Wash., Sept. 10-13.

Metal Mining and Industrial Minerals Convention—Olympic Hotel, Seattle, Wash., Sept. 11-13.

Instrument Society of America—Fall Instru-

ment-Automation Conference and Exhibit, Memorial Sports Arena, Los Angeles, Calif., Sept. 11-15.

International Organization of Vacuum Science & Technology Meeting—Sheraton Park Hotel, Washington, D. C., Oct. 16-19.

Computer Applications Symposium—Morrison Hotel, Chicago, Oct. 25-26.

Pressed Steel Institute—Fall Meeting, Homestead, Hot Springs, Va., Sept. 25-26.

Industrial Building Exposition & Congress—Annual Meeting, Grand Hotel, Ft. Clear, Ala., Sept. 25-28.

### Previously Listed

### SEPTEMBER

16th National Conference of The Associa-

tion for Computing Machinery, Statler Hilton Hotel, San Francisco, Sept. 5-8.

2nd Annual Cargo Handling Exposition—Pier 9, New York City, Sept. 6-8.

1961 New Product Exhibit and Conference—Los Angeles Chamber of Commerce, Ambassador Hotel, Los Angeles, Sept. 7-8.

Industrial Distribution Conference—Statler Hilton Hotel, Cleveland, Sept. 11-12.



SABINE-NECHES ASSN.'s J. P. French, Gulf States Utilities Co., national director (l), congratulates John Rodney Card, School of Business, Lamar State College of Technology, recipient of the group's scholarship award. This annual presentation is given in memory of the late R. J. Orrick, who was a charter member of the association.



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# Product Perspective

**URETHANE FOAMS** are entering a period of rapid growth, with the rigid types targeted for an especially big increase. Market researchers say consumption of rigid urethane will hit 100-million lb./yr. by '65—up from an estimated 10-million lb. last year. Use of flexible foam may reach 200-million lb. by '65—up from current 80-90-million-lb. rate.

Urethane foams are made by combining an isocyanate-polyester (or polyether) resin mixture with a catalyst. When the two come together, an immediate reaction makes the foam. There are many ways to produce a foamed product: The most popular include cutting it to shape from a slab of stock; molding it; pouring it in place; spraying it on.

• By varying the ingredients the user can tailor the foam to meet a wide variety of applications. Urethanes can be made with widely varying densities and in rigid or flexible form.

Here's how the foam market stacks up at present:

**RIGID FOAM: Refrigeration, construction, and boating are the big three users.** Home refrigeration took about one-third of the rigid foams produced last year and will probably remain as the No. 1 market. Low installation cost (it's foamed right in place) has been the reason for increased popularity.

**Transportation insulation is another important potential customer.** People who make and operate refrigerator cars and trucks have an ever-present weight problem. The thin, light urethane foam is a natural for them. Its extremely low permeability to water vapor virtually eliminates moisture pickup.

**Boat builders are expected to step into the No. 2 spot.** The sealed-in air inside the foam bubbles makes the material float. Although building construction holds the biggest potential, few people in the field expect this market to open up in the near future. One project is underway to develop a foam panel covered with a textured veneer (wood, for example). Erection would be simple, and insulating first rate. Another study aims to uncover ways to fireproof the foam.

**FLEXIBLE: Furniture, autos, and bedding are the big three here.** Over 200 furniture makers use urethane foams in upholstery where their long lasting resilience has made them a favorite. Compared to latex foam, the urethane's lighter weight, superior tear strength and ease of fabrication (it can be sewn, stitched and stapled), often mean substantial savings.

**Urethane producers hope to capture a piece of the bedding market.** Annual consumption of foam rubber mattresses only runs about 10% of the entire bedding industry. Urethanes have a chance to increase this penetration as well as to take some of the business away from latex. All auto manufacturers are known to be testing urethane seating. Uses so far have been confined to crash-protection, vibration damping, and insulation.

Some urethane has gone into packaging—mostly for protecting fragile electronic components. High cost of urethanes (as compared to traditional packaging materials as well as other plastic foams) has held down urethane use here.

**NEW FABRICATING TECHNIQUES** that chemists have worked out are the key to increased popularity of rigid foam. The scientists have learned how to use the bubbles to get strength. The air-filled structure always was a good insulating medium, the problem was to make it load-bearing. New stiffened plastics do the trick.

• Foam consumption may get an added shot-in-the-arm if a new production process works out. Technifoam Corp. claims an impressive 48% reduction in processing costs for its new slab making machine. The unit spreads, foams, and cures the urethane between two layers of material in a continuous operation. This method eliminates conventional trimming, slitting and laminating steps. Paper, foil, metal or wood sheets may be used to make a finished foam sandwich  $\frac{1}{8}$  to 3-in. thick at 100 ft./min. rates.

Unbonded foam can be made by using a silicone-treated release paper that is peeled off after the urethane is cured. The machine can be switched from flexible to rigid foam in a matter of minutes. Technifoam leases the machine and will license producers on a controlled basis.



**URETHANE PANEL** used to insulate cold storage room has 3½-in. foam between plywood covered with aluminum foil facing and is said to cut construction costs.

## Here's your weekly guide to...



### Office Chair

Has Five Adjustments

Office chair permits separate adjustments for seat height, tilting, and backrest height, depth, and tension. Models range from executive to secretarial in various styles with upholstery in vinyl, cloth, leather, or a combination. Nine standard colors are available.

**Price:** \$179 (executive chair as shown). **Delivery:** immediate.

**Remington Rand Systems, 122 E. 42nd St., New York 17, N. Y. (PW, 8/28/61) SIC #2522**



### Recording Voltmeter

Weights 20 Oz.

Miniature 20-oz. portable recording voltmeter is inkless and records on a pressure-sensitive paper tape, 2½ in. wide and 35 ft. long, that moves at 12 in. per hr. The regular scale model is 0/150/300/600 v. a.c.; expanded, 95 v. to 130 v. and 190 v. to 260 v. a.c.

**Price:** \$79.85 (regular scale) and \$84.85. **Delivery:** immediate (after October 15).

**Amprobe Instrument Corp., 630 Merrick Rd., Lynbrook, N. Y. (PW, 8/28/61) SIC #3611**

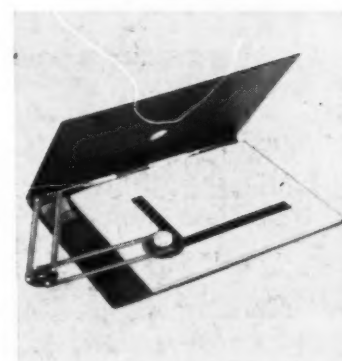


### Foaming Machine

Handles 12 Lb./Min.

Rigid urethane foaming machine with a 12-lb./min. capacity eliminates weighing of components and metering checks. A dial system permits simple setting of the flow rate and changing of the rate or formula. A combination pour-spray head is self-cleaning, eliminating the need to flush with solvents.

**Price:** \$4,500. **Delivery:** 6 to 8 wk. **Chase Chemical Corp., 3527 Smallman St., Pittsburgh 1, Pa. (PW, 8/28/61) SIC #3559**



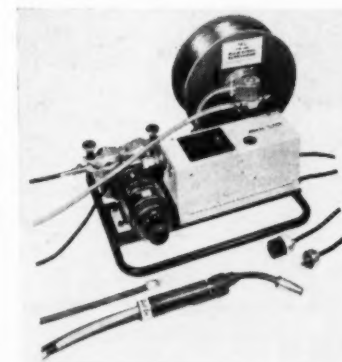
### Drafting Kit

Comes in Vinyl Binder

Vinyl binder holds portable kit including a drafting instrument with a 3-in. x 5-in. or 4-in. x 6-in. scale and 180-deg. protractor, a pad of 50 sheets of drawing paper, and a pencil. The drafting instrument is made of anodized aluminum with machine-calibrated parts. Total weight of kit is 1½ lb.

**Price:** \$8 (3- x 5-in. scale) and \$9. **Delivery:** immediate.

**Draftette Co., P. O. Box 794, Beverly Hills, Calif. (PW, 8/28/61) SIC #3811**



### Welding Equipment

Welds Light-Gage Metals

Arc welding equipment for light-gage metals uses carbon dioxide or gas mixtures. Wires with .025-in., .030-in., and .035-in. dia. feed at from 55 ipm. to 500 ipm. The unit, only 12¼ in. x 16 in. x 20 in., reduces spatter to eliminate clean-up time.

**Price:** \$1,274 (gun, control, and welder with single-phase, preset slope control) and \$1,625 (three-phase). **Delivery:** immediate.

**Chemtron Corp., 840 N. Michigan Ave., Chicago 11, Ill. (PW 8/28/61) SIC #3623**



# New Products

Price data that accompany each product description are list or approximated prices supplied by manufacturers. Unless otherwise noted, prices quoted are for the smallest quantity that can be ordered.



## Polyethylene Tape

**Adheres to Many Surfaces**

Pressure-sensitive, polyethylene tape with high-pull strength adheres to plastic, paper, smooth wood, and metal. Natural-clear and sunlight-resistant black opaque rolls come in 2-in. x 100-ft. rolls with peelable, split-paper backing for ease of application. Dispensers have built-in cutting edges.

**Price:** \$3.03/roll (in 12-roll case). **Delivery:** immediate.

Gering Plastics, N. 7th & Monroe Ave., Kenilworth, N. J. (PW, 8/28/61)

SIC #2295



## Photocopy Machine

**Has Attache Case Housing**

Diffusion transfer photocopier designed for people on the go is built into an attache case which also holds negative and positive copy papers. It weighs 12½ lb. and copies any material 9-in. wide by any length. Book copier model works with bound volume material, maps, charts, and blueprints.

**Price:** \$149.50 and \$199.50 (book copier). **Delivery:** immediate.

Anken Chemical & Film Corp., Newton, N. J. (PW 8/28/61)

SIC #3861



## Welding Shield

**Has Aluminum Glass-Holder**

Welding shields with fiber handles come in three styles. A curved-chin model has a dark gray fiberglass protector; a narrow-shell style has flanges on sides, top, and bottom; and a straight-bib style offers added protection for neck and chest. All three have lightweight aluminum glass-holders and are intended primarily for inspection of welding operations.

**Price:** \$6.95. **Delivery:** immediate.

American Optical Co., Southbridge, Mass. (PW 8/28/61)

SIC #3842



## Air Nozzle

**Converts 100 Psi. to 2 Psi.**

Air nozzle converts 100 psi. at input to 2 psi. at output to provide a large volume of air at low pressure and low velocity for cleaning operations. It has no controls to tamper with and connects to any standard air supply, allowing direct interchangeability with air hammers, riveting guns, etc.

**Price:** \$8.66. **Delivery:** immediate.

Jet Electronics Corp., 5404 Coal S.E., Albuquerque, N. M. (PW, 8/28/61)

SIC #3999



## Power Supply

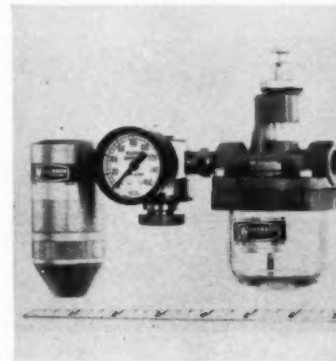
**Has 0 to 200-Ma. Output**

Dual-regulated power supply provides simultaneous outputs of 0 to 200 ma. at both -300 v. d.c. and +300 v. d.c. from 117-v. a.c. input. Hum, noise, and ripple are less than 200 mv. rms. and load regulation, line regulation, and drift are each within .001%. The chopper-stabilized instrument needs only 3½ in. of panel height.

**Price:** \$295. **Delivery:** 4 to 6 wk.

Embee Electronics Corp., W. Hartford, Conn. (PW, 8/28/61)

SIC #3679



## Compressed Air Unit

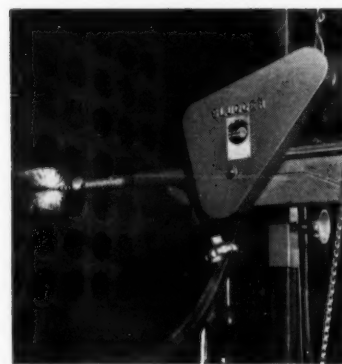
**Filters, Regulates, and Lubricates**

Unit filters, regulates, and lubricates compressed air in valves and cylinders, air tools, die grinders, and small air motors. Automatic drain trap prohibits moisture accumulation in the sump of the aluminum filter. The unit is available in ¼-in. P.T. with a 12-fpm. capacity at 100 psi. It is 7 in. long and 4¾ in. high.

**Price:** \$23.45. **Delivery:** immediate.

Wilkerson Corp., 1711 W. Mansfield, Englewood, Colo. (PW, 8/28/61)

SIC #3569



## Boiler Tube Cleaner

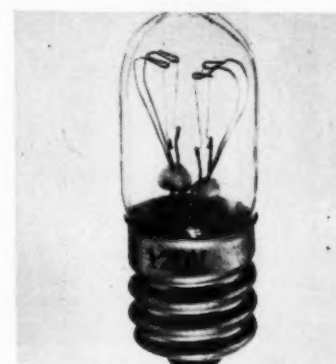
**Cuts Cleaning Time**

Automatic power cleaner for boiler tubes cuts cleaning time substantially. The machine uses an electrically operated punching brush that feeds into any boiler tube. It can be mounted in 5 to 8 min. and services boilers that are within 3 ft. of a wall or other obstruction.

**Price:** \$685. **Delivery:** 1 wk.

Power Tube, Inc., 2325 N.W. Westover Rd., Portland, Ore. (PW, 8/28/61)

SIC #3599



## Pilot Light Lamp

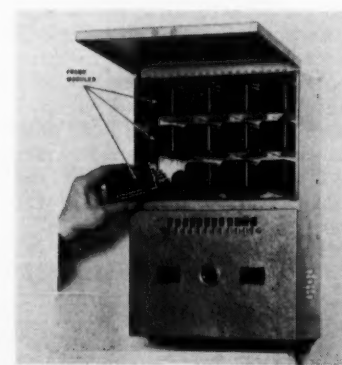
**Lasts 1,500 Hr.**

Incandescent, 6-w. lamp for pilot lights has a voltage rating of 125, giving an average life of about 1,500 hr. The small unit measures ½ in. in dia. and 1⅞ in. long, including the base. It produces 36 lumens effectively spread by a filament design that permits its use with lenses of all colors.

**Price:** 95¢. **Delivery:** immediate.

General Electric Co., Nela Park, Cleveland 12, Ohio. (PW, 8/28/61)

SIC #3641



## Electronic Control

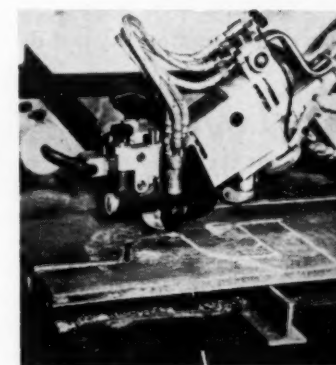
**Checks Automatic Machines**

Transistorized device continuously checks automatic machine operations and immediately stops the machine if it detects any malfunction. It monitors operations of up to 12 stations and reports the exact location of trouble by individual indicator lights on the front panel. Circuitry encapsulated in epoxy resins resists shock and moisture.

**Price:** \$450 (basic). **Delivery:** immediate.

Weldotron Corp., 907 Frelinghuysen Ave., Newark 14, N. J. (PW, 8/28/61)

SIC #3622



## Flame-Cutting Machine

**Permits One-Hand Operation**

Portable, 19-lb. machine uses acetylene, propane, or natural gas to cut from light gage sheet to 2-in. thick metal. A clutch allows free-wheeling control of the unit which can be operated with only one hand for straight-line, bevel, circle, and some contour cutting at speeds up to 30 ipm. A speed indicator is built-in directly in front of the operator.

**Price:** \$275. **Delivery:** immediate.

Linde Co., 270 Park Avenue, New York 17, N. Y. (PW, 8/28/61)

SIC #3548

## Your Guide to New Products



### Hole Punching Unit

Punches 3½-in. Holes

Hole-punching unit for holes up to 3½ in. in dia. is available with 8-in., 12-in., and 16-in. throat depths. Width of the holder is 5½ in. The semi-steel casting is interchangeable or compatible with other makes of unitized tooling and permits quick changeover. Punches are easily removable from the top and die buttons can be removed from the front.

Price: \$190. Delivery: immediate.

Tool Products Corp., N. Tonawanda, N. Y. (PW, 8/28/61) SIC #3544



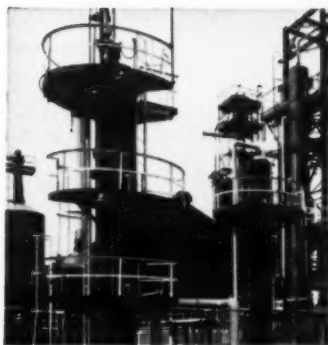
### Power Supply

Has Output of 5,000 V.

D.c. power supply has an output of 50 v. to 5,000 v. and 0-20 ma. from an input of 105 v. to 125 v. at a frequency of 55 cycles to 65 cycles. Stability is  $\pm 0.005\%$  per hr.,  $\pm 0.02\%$  for an eight-hr. period. When the filament switch is turned on, a time delay of 20 sec. to 60 sec. is required before high voltage can be turned on.

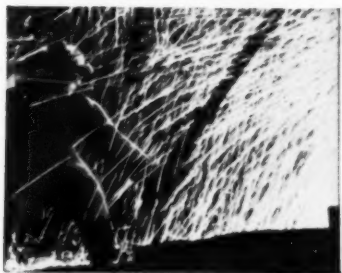
Price: \$690. Delivery: immediate.

NJE Corp., 20 Boright Ave., Kenilworth, N. J. (PW, 8/28/61) SIC #3679



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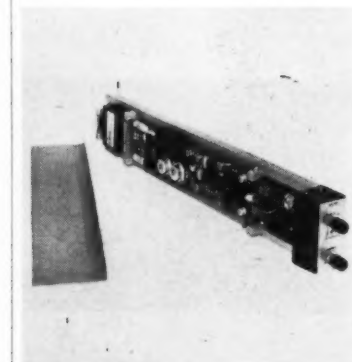
### Driving Center

Saves Finishing Time

Line of special driving centers is engineered to hold tubular work pieces of many types for outer diameter turning, grinding, or cutting splines. Centers permit complete finishing of the work piece in one chucking. The elimination of the need for two handlings saves finishing time and produces better work to closer concentricity limits.

Price: \$94.50 to \$635. Delivery: immediate.

Power Grip, Inc., Rockfall, Conn. (PW, 8/28/61) SIC #3545



### D.C. Amplifier

Is Compact Unit

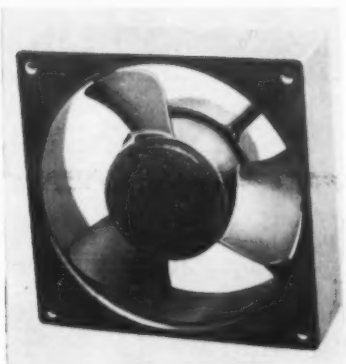
Chopper stabilized, wideband d.c. amplifier accurately amplifies low-level signals to beyond 20 kc. Ten of these lightweight, compact units can be housed in a rack adapter module requiring only 3½ in. or vertical space in a standard 19-in. rack. All solid-state circuitry and modular plug-in circuit boards simplify maintenance and reduce down time. Gain stability is  $\pm 0.01\%$ ; linearity,  $\pm 0.02\%$  of output.

Price: \$540. Delivery: 60 days.

PM Electronics, Inc., 5221 University Ave., San Diego 5, Calif. (PW, 8/28/61)

SIC #3679





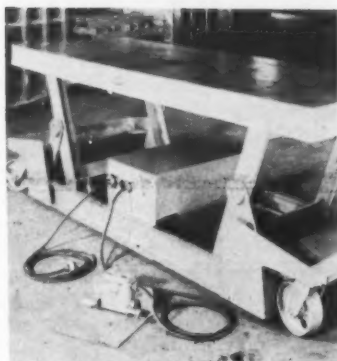
### Brushless Fan

**Delivers 100 Cfm. at 28 V.**

Brushless d.c. fan with speed directly proportional to input voltage offers speed control range from 20 v. to 40 v. It delivers 100 cfm. of free air at 28 v. Space requirements are 1 3/4 in. deep x 4 1/8 sq. in. Frame and impeller are aluminum and bearings are sealed for long life.

**Price:** \$75. **Delivery:** 2 wk.

**Astro Dynamics, Inc., Northwest Industrial Park, Burlington, Mass. (PW, 8/28/61) SIC #3564**



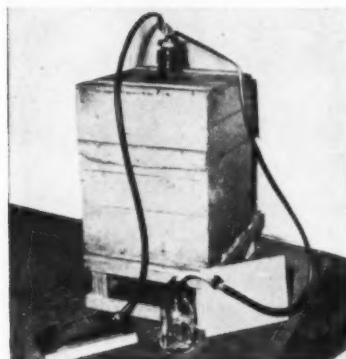
### Feed Table

**Is Transport Truck**

Table for feeding metal sheet and plate stock to punch presses, shears, and similar equipment doubles as a transport truck which can be towed from either end under full load. Table size can be 36 in. x 96 in. or 36 in. x 120 in. with a 6,000-lb. capacity. Steel swivel casters permit cross motion for easy positioning at work station.

**Price:** \$1,900 to \$2,000. **Delivery:** 8 wk.

**Jarke Mfg. Co., 6333 Howard St., Chicago 48, Ill. (PW, 8/28/61) SIC #3537**



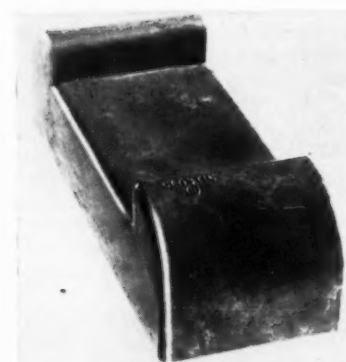
### Liquid Pump

**Fills Small Containers**

Pump designed for use where a series of containers are to be filled dispenses liquids from a carboy without spilling or splashing. Pressing the air pump forms a natural siphon after which containers can be filled by opening and closing the pet cock on the 56-in. tube. Tubing available includes polyethylene, lead, hard rubber, or aluminum.

**Price:** \$21.45. **Delivery:** immediate.

**General Scientific Equipment Co., P. O. Box 3038, Philadelphia 50, Pa. (PW, 8/28/61) SIC #3561**



### Crane Rail Insulator

**Has High-Impact Strength**

Insulator of fiberglass-reinforced plastic supports, exposed third rails of overhead cranes and other heavy-duty conductor-rail handling equipment. Its high impact strength is six to eight times that of porcelain. Two sizes are available, for 40-lb. and 85-lb. rail systems. The supports withstand the strain of thermal expansion and contraction of long rail installations, and resist carbon tracking and charring.

**Price:** \$2.10 to \$3.40 (depending on size and quantity). **Delivery:** immediate.

**Glastic Corp., 4321 Glenridge Rd., Cleveland 21, Ohio. (PW, 8/28/61) SIC #3644**

## SILICONE NEWS from Dow Corning

# See How Foam Robs You



## Silicones stop foam; help you operate at maximum capacity

Why accept foam as a necessary evil, when you can control it effectively and economically with Dow Corning Silicones? Amazingly effective in trace quantities, these silicone antifoamers enable you to utilize capacity now taken up by foam . . . help speed processing . . . prevent spill-overs . . . reduce fire hazards . . . cut maintenance costs.

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**Easy to Use.** You don't need extra equipment or preparation time when you use Dow Corning Silicones to control foam. Our product development group has formulated different types to be most adaptable to different systems . . . to help you rid your process or product of foam problems effectively, economically.

**Free Sample.** Here's your chance to see how Dow Corning Silicones can work for you. Tell us your foam problem and type of system—oil, aqueous, nonaqueous, food product or other. A generous trial sample of the silicone defoamer most suitable for your process will be sent by return mail. Write Dept. 7520.

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**Dow Corning CORPORATION**  
MIDLAND, MICHIGAN

ATLANTA BOSTON CHICAGO CLEVELAND DALLAS LOS ANGELES NEW YORK WASHINGTON, D. C.

## Product News in Brief

### 6 Transistors Unveiled

**Chicago**—Motorola, Inc., has announced a series of six germanium epitaxial mesa transistors (2N960-66) which it says will permit greater standardization and smaller inventories.

The transistors are designed with optimized physical geometry for high-speed switching applications in both high and low current circuits to eliminate the need for different types in systems with various design configurations. The company claims that they

supplant virtually all germanium mesas, micro-alloy, and other transistors used for high-speed switching.

### 10 Stations Controlled

**Pittsburgh**—Westinghouse is producing a supervisory system that controls remote stations at up to ten points while indicating conditions at the master station.

It is intended for use where all stations are located within a relatively small area, so that loop resistance of the line wire chan-

nel is low. Applications include water-well fields, industrial power distribution, and similar systems requiring remote centralized control as for closing and tripping circuit breakers and motor contactors.

Lamps on the master station continuously indicate whether a device is open or closed and sounds an alarm when the position changes.

### Numerical Control Used

**Pleasant Ridge, Mich.**—Sny-

der Corp. has produced what the company believes is the first application of a numerical control system for a dial-type, multi-head special machine tool.

A General Electric Mark I system controls the machine with punched tape to drill, ream, and bore a variety of cast iron diesel flywheels. The high-speed, 34-in. dial index table indexes at 2 rpm., maintaining spacing accuracy of  $\pm 0.0005$  in. on a 32-in. dia. Console components include a tape reader, decade pushbuttons for manual control of any function, indicator lights, and an emergency stop. One pushbutton returns the index table to a zero position whenever desired.

The machine occupies a floor space of about 142 in. x 150 in.

### Pail Has No Seams

**Kewaunee, Wis.**—Leyse Aluminum Co. is producing a stainless steel pail that has no seams or inside crevices to catch dirt. It is expected to find wide use where cleanliness is important, such as in dairies or hospitals.

The one-piece pail is produced by flow turning which stretches and shapes a stainless blank over



a spinning mandrel. This leaves a triple-thick bottom. Special designs engineered into the pail also simplify handling.

Rather than falling against the side, the handle remains at a 90-deg. angle to the side of the pail when it is set down, making it easier to grasp, and a rigid handle on the cover permits lifting it off without first having to set the pail down to clear the handle. Another rigid handle at the bottom of the pail doubles as a pouring aid and a rest for setting the pail at an angle.

### RECOMP III Installed

**New York**—Autonetics Industrial Products has installed its first RECOMP III computer at the Trunk Line Gas Co. of Houston, Tex.

The general-purpose solid-state RECOMP III system includes computer and memory, flexowriter electric typewriter, and mechanical input-output. Three additional inputs and three outputs are available as options, including a high-speed tape unit that reads from 5- through 8-channel tapes at 600 characters per sec. An accessory unit can punch tape at 150 characters per sec.

Originally designed as a single-instruction, sequential machine, the RECOMP III can be programmed to serve as a two-address system, using the first half of the word as the instruction. With a memory size of 4,096 words, this permits over 8,000 instructions.

Cost of the general purpose RECOMP III is \$65,000, with a monthly rental of \$1,495.

### WHERE-TO-BUY

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# Government Issues New Inventory Forecast

(Continued from page 1)  
ING WEEK's regular list of business barometers. It will appear periodically just as soon as any significant changes are reported. From the purchasing department viewpoint, the new economic indicator may prove useful in several different ways:

• **Inventory Policy**—The new projections can be used as a company yardstick, serving to point out how close your own policy is to the national average. Some questions might be in order, for example, if the government survey shows inventories going up while your own company's stocks are heading down.

As an aid in this type of analysis, the government plans to (1) split up its forecast into two major subgroups (hard goods and soft goods) and (2) adjust its figures for normal seasonal variation. There are no plans, however, for splitting up the projections into individual industry subtotals.

• **Prices**—Any sharp switch in inventory intentions could be the signal for a general change in prices—either up or down. Right now, the \$1-billion anticipated increase in third quarter stocks (see chart p. 1) is considered quite modest. And the feeling is that it will have only a slight firming effect on prices.

• **General business activity**—Corporate economists say that knowledge of inventory changes will make the job of forecasting that much easier. As one pointed out to P/W: "If we had this information in 1957 and 1959 we could have predicted the last two recessions right smack on the nose."

A second indicator for forecasting manufacturers' inventories—and hence business activity—has been devised as a by-product of the new survey. It is based on the view manufacturers hold of their own inventories—whether they are "high," "about right," or "low."

Whenever the percentage in the "high" group changes, it is a pretty good sign that a switch in inventory policy is imminent. Thus, last winter the percentage in the "high" group fell from 35% to 29%—indicating growing satisfaction with inventories and hence an end to the sharp stock piling of 1960.

As noted above, the next hint on what's ahead should be available around mid-September.

Questionnaires on the next survey are already in manufacturers' hands.

Each company is being asked to (1) classify its stocks as "high," "about right," or "low" at the end of the previous quarter (June 30); (2) put a figure on its inventories at the end of the current quarter (Sept. 30); and (3) anticipate what stock will be at the end of the following quarter (Dec. 31).

Thus the mid-September report will give a new figure on anticipated inventories at the end of

the fourth quarter, plus a second look at third quarter anticipations. In this respect the report will be similar to the quarterly survey of plant and equipment spending—which provides for each quarter a first anticipation, a second anticipation, and an actual figure on spending.

The Commerce survey is based on a sample of 1,250 to 1,400 corporations that account for 55% of the value of all manufacturers' inventories. These firms include most manufacturers with assets of \$10-million or more.

## Governmental Buyers in California To Seek Professional Certification

(Continued from page 1)  
California group says its program is the first certification proposal ever implemented in the U.S.

There will be two certifications for the successful applicant. The top stamp of ability will be Certified Public Purchasing Officer, which requires a college diploma or its equivalent, ten years of purchasing experience with no less than five in public buying, and at least three years in a responsible supervisory position. Second classification is Associate Public Purchasing Officer, which calls for a total of five years in purchasing and a minimum of two years in public purchasing.

Edwin W. Hyka, City of Long Beach P. A. and president of the sponsoring association, called it the first certification program of P. A.'s ever implemented. "It will help further the profession because we have set up basic standards of education, training, and performance," he said. "To the employer certification will mean that the purchasing agent is a highly qualified individual in his field."

To Albert Hall, executive vice-president of the National Institute of Government Purchasing, "it's one of the most significant developments in the public purchasing field in many years. In fact, the California group is blazing a trail for all to follow."

Hall described certification as the "wave of the future" in public buying and added that it will eventually lead to a career service similar to that of the British system. Toward that end, the NIGP also has set up a certification committee, which soon will start a drive to get a certification pro-

gram into every state and local purchasing organization, according to Hall.

The California setup is unique in that it is open to all comers—does not require membership in the sponsoring group or residence in the state. Application for the first series ends on Sept. 20.

On Oct. 7, applicants will attend seminars that will provide a review for the examinations. Also included will be comprehensive bibliographies to outline further sources of study for the exams. Seminars, conducted simultaneously in the northern and southern part of the state by experts in specific fields, will cover topics of public administration, governmental budgeting, business and contract law, public purchasing principles and practices, and modern office management including EDP.

Written examinations will take place in San Diego, Los Angeles, Sacramento, and San Francisco or Oakland on Oct. 14. Monitoring the tests will be members of the personnel division of the Los Angeles City Board of Education. The oral exams will be conducted at San Francisco in November and Los Angeles in December.

The program, which has been under study for two years by a committee headed by George A. Cumming, deputy state purchasing agent of California, enlisted the advice of all arms of public and industrial purchasing. Hyka sums it up, "The new program provides a fair and comprehensive test of an individual's qualifications. It could serve to take public purchasing jobs completely out of the realm of political appointments."

## Purchasing Week's

# Purchasing Perspective

(Continued from page 1)

**strong upswing in the general economy.** By halting production early on 1961 models, the car makers have laid the base for enthusiastic buying in late September and October when dealer showrooms will be stocked with new models. And they've made their new product doubly attractive by accelerating the trend to "maintenance-free" vehicles.

Fleet buyers who have seen the new Ford line know that the company has added a number of mechanical improvements designed to make its cars near trouble-free for about two years with only semi-annual regular maintenance. This includes 6,000-mile oil changes (up from 4,000), a factory-installed engine coolant good for 30,000-miles or two years, and 30,000-mile fuel filters and general lubrication. Other carmakers, who like Ford also are announcing "in-between" size (115-116-in. wheelbase) cars, will have similar long-life features.

The corporate caution concerning price discussions that developed following last February's price-fixing cases in Philadelphia is having unexpected effects on purchasing departments throughout the country. Some P.A.'s believe the Philadelphia aftermath may have composed some rein on their freedom to compare price index swap information, and feel out suppliers at product shows and similar types of industry meetings.

The P.A. for a large container manufacturer admitted last week that the supplier-competitor problem has him stumped. "We've instructed our buyers," he said, "not to talk prices with buyers in competitive companies. But at the same time, I'm not going to discourage one of my suppliers, who is also a competitor in one product line, from calling to tip me off to a price change in materials I buy from him."

Other indications of the new caution came last week from Westinghouse and General Electric. Both companies reiterated they are enforcing strict rules against employee fraternization with competitors. Idea is to bend over backwards, if necessary, to prevent any suspicion of new price-fixing.

At Westinghouse, for example, top purchasing officials have been voluntarily signing affidavits that salesmen now are required to sign attesting that prices were not discussed at "any meeting formal or informal, attended by representatives of competitors."

While General Electric requires no affidavit, the company said it is cracking down harder in enforcement of anti-fraternization rules that date back to 1946. Playing it safe, one group of purchasing officials were reported to have cancelled a planned trip to look over a supplier's operations recently when it realized the company was a competitor of one GE line.

Commented another P.A. at a New York company: "I've started to think twice before sitting down to a game of bridge on the commuter train."

## Wescon Exhibitors Forecast No Rest For Weary Electronics Parts Buyer

**San Francisco**—Competition, obsolescence and inventory policies will keep electronic component prices heading downward, according to exhibitors here last week for the annual Western Electronics Show and Convention.

Some 800 exhibitors manned a record 1,170 booths at the Wescon Show, which is sponsored jointly by the IRE and the Western Electronics Manufacturers Assn.

Obsolescence is one of the prime factors forcing prices down, but new components replacing the old presents the purchasing man with a "heart-rending decision," according to Wescon observers. "He must decide whether to take the older component, or the smaller, faster more reliable, but higher priced new one."

Competition still remains a chief factor. There was general agreement at the show that the shakeout in solid state electronics is still going on and that "several small producers won't be at Wescon next year." Exhibitors also thought it may still be many years before distributors really get a solid toe-hold in this phase of the industry.

A large manufacturer's mar-

keting director pointed up the extent of price-cutting when he told PURCHASING WEEK "list prices hold up pretty well in small quantities, but as the order gets bigger, you can forget the list. It's every salesman for himself."

Diodes and transistors were singled out as being "especially competitive." Several companies freely admitted that they were selling diodes at a loss just to keep the sales door open.

Distributor over-inventorying and accumulation of "distressed stock" has apparently decreased, according to one small West Coast outfit. A change in manufacturer's buy-back policies was said to be the reason for sharper distributor inventory management.

Most smaller manufacturers won't guarantee more than 10% of the distributor's stock, if that much. "You can get killed on semiconductors," one distributor emphasized, "You'll never see me taking on those lines without a written guarantee."

The trade show itself underscored the arrival of new molecular components and microminiaturized circuitry. Most of these components, however, are still on a custom basis.

## Price Changes for Purchasing Agents

Item & Company	Amount of Change	New Price	Reason
<b>INCREASES</b>			
Tin salts—potas. stannate, lb.....	.005	.866	metal up
Sodium stannate, lb.....	.004	.731	metal up
Tin cryst., anhyd., lb.....	.006	1.123	metal up
Oxide 400-lb drum, lb.....	.015	1.275	metal up
Cotton sales yarn, lb.....	.02	....	better demand
Copper water tube, type K, L, M.....	7½%	....	cost squeeze
<b>REDUCTIONS</b>			
Mercury, 76 lb flask.....	\$2.00	\$187.00	poor demand
Squaretrm potentiometers, Daystrom.....	up to 50%	....	prod. econs.
Phthalic anhydride, tanks, lb.....	.02	.175	competition
Sodium phosphates, tripoly., bulk, cwt.....	.17	\$7.18	prod. econs.
Tetra pyro, bulk, cwt.....	.17	\$6.83	prod. econs.
Phthalate plasticizers, di-tridecyl phthal, tanks, lb.....	.005	.275	lower costs
Di-octyl phthal., tanks, lb.....	.01	.235	lower costs
Octyl decyl phthal., tanks, lb.....	.01	.24	lower costs
Dimethyl phthal., tanks, lb.....	.015	.258	lower costs
Coating resin, Buton 100, Enjay, lb.....	.03	....	....
Rigid steel conduit, Youngstown.....	5% disc.	....	competition
Industrial sugar, N. E., cwt.....	.10	\$9.30	competition
Capacitor, wet anode, Fansteel.....	10%	....	....



# Defense Buyers' Tips: Call Supplier Roundup

(Continued from page 1)  
healthy tightening of its costs. Sperry Gyroscope division of Sperry Rand also has experimented with cost-reduction meetings. Some 400 supplier representatives met to hear Sperry's top brass and military project men outline an intensive cost-cutting campaign (see PW May 1, '61, p. 1). W. G. Neumann, director of purchases at Sperry Gyroscope, said then "Sperry has set a goal of minimum reductions of 15% in its operating costs and we are convinced this goal can be reached in our material cost."

## Sperry Phoenix Session

Prompted by the Air Transport Assn.'s efforts to widen the aircraft industry's acceptance of procurement cost-reduction techniques, Sperry Phoenix, another Sperry Rand division and manufacturer of electronic aviation equipment, recently held a "Value Analysis Exercise" (see PW, July 17, p. 24). Orne Hixcox, manufacturing manager, said "Whether you call it 'value analysis,' 'value engineering,' or something else is not important. What is important is that there be a definite full-time program backed by management."

Sperry Phoenix's management has shown it means business by appointing one of the company's chief P.A.'s to manage the value-analysis effort as a full time job. The company will keep in direct contact with the vendors who attended their conference by means of regularly printed bul-

letins and personal visits. At the conference, Sperry Phoenix executives emphasized its goal: to "cut fabrication and service costs—not profits."

The idea of bringing in suppliers to hear a "pep talk" is so simple that it has been criticized in some quarters as a naive "gimmicky" way of appeasing Pentagon procurement officers. But Republic and Sperry both have found that a "gimmick" can be turned into an excellent opening gambit in a cost-drive.

There's no one sure-fire formula for a successful contractor-vendor meeting, but Republic's Stanley Kopec, procurement systems coordinator and an organizer of "Second Wind," offers these guidelines:

- The conference should seek to build a true "teamwork" attitude toward cost-reduction, right down to the lowest-tier suppliers.

- Purchasing must arouse top-level interest in, and backing for the meeting and the various techniques of cost-reduction.

- A conference that gets every delegate's "hands dirty"—from the company president to the most junior buyer—in an actual cost-analysis project generates a high pitch of enthusiasm.

- The sponsoring company can—and should—set concrete, seemingly "impossible" cost-reduction goals. Only with a tough

target can real cost progress be made.

E. I. Little, Republic's director of material, won high-level approval of his original "Minus 30" project by explaining the possibilities of instilling value-consciousness to suppliers who, at the time, were handling almost two-thirds the cost of the F-105 aircraft. He had to sell hard, but he persuaded top Republic men that, with a nominal investment in time and money, great savings should result. Little's emphasis was upon "less dollars per airplane rather than more airplane for the dollars."

At the "Second Wind" conference, both Kopec and Little decided to let all the delegates roll up their sleeves and participate in panel discussions and working value-engineering sessions.

Republic P. A.'s and engineers moderated five sessions which covered specific problems in packaging, materials handling, economic lot buying, price breakdowns as negotiating tools, small dollar purchases, and cost reduction techniques used by suppliers with third-tier subcontractors.

## Presidents, Engineers, Etc.

Tool engineers worked alongside presidents and sales managers, digging into the topics at hand. Republic arranged the schedule so participants rotated through all five panels, thus exposing them to the full range of cost headaches.

While various panel groups convened, engineers and technicians—and some impromptu top-management "sit-ins"—met to attack specific value-engineering problems. Kopec and Little say this workshop approach proved the hit of the conference. Not only did it dramatize the results possible from the "team," but served to point up the value of ideas even from men who are relatively unfamiliar with the product being analyzed.

# Late News in Brief

## GSA Sells More Tin

Washington—General Services Administration will sell the third lot of pig tin (1,000 tons) from its Texas City inventory with sealed or telegraphic bids accepted up to 11 a.m. Sept. 12. Second lot was announced for sale of 1,000 tons with bids acceptable up to Aug. 30. There will be 100 lots of 10 tons each in the third sale: 80 lots of Grade A, 15 of Grade B, and five of Grade C.

## More Maritime Settlements

New York—A major break in East Coast bargaining for new maritime industry labor contract appeared imminent as more members of the American Merchant Marine Institute signed separate agreements with the ship engineers' union.

## To Produce Metallized Paper

New York—Standard Packaging Corp. will build a plant to produce metallized paper and paperboard from a process devised to metallize the mylar film used to build the Echo satellite. Plant, on yet unselected site, is expected to go on stream about August 15, 1962.

## Boost Far East Freight Rates

Tokyo—Rate hikes of 10% on freight moving between the U. S. and Far East are planned by two steamship conferences—Japan-Atlantic & Gulf Freight Conference and Transpacific Freight Bureau—effective Nov. 1.

## New Polyethylene Resin

Wilmington—DuPont Co. announced a new semi-conducting polyethylene resin for replacement of fabric shielding on high voltage cables. Company also expects the high density resin (called Alathon 2900 BK 50) to find use in special film packing applications and in extruded or molded parts which must be free of static electricity.

## New Tire Announced

New York—U. S. Rubber Co. announced a new low-profile (flat looking) tire, called U. S. Royal Safety 800, for 1962 model cars. Company said new tire will give over 14% more tread mileage. Advertised price: \$12.95 plus \$1.12 Federal excise tax for 7.50-14 size.

## Seek New Price Lists

New York—As part of a civil antitrust suit against four carbon dioxide manufacturers, the government asked the federal court here to compel the firms to tear up present price schedules and replace with new ones in 60 days. The government's civil suit followed a criminal action it filed last December against General Dynamics Corp., Olin Mathieson Corp., Air Reduction Co., and Chemetron Corp.

# Detroit Outlook: New Contract Without Strike

(Continued from page 1)  
main optimistic that there will be no walk-out this year, although it is fair to say that they are getting edgy as the Aug. 31 deadline nears.

Hard-nosed bargaining began after the companies made first offers to union negotiators, who, in turn, labeled them wholly inadequate. Highlights of the auto firms' initial offers were:

An annual wage increase amounting to 6¢/hr. each year of a three-year contract; continuation of the cost-of-living allowance; 12¢ of the current cost-of-living allowance to be added to basic wage rates; supplemental pay for short work weeks; maximum supplemental unemployment benefits to be upped from \$30 to \$35; separation payments to be increased 25%; higher pension benefits; increased medical benefits; moving allowances for employees transferred between plants.

Although top union leaders were quick to label the auto makers' offers as unacceptable in their present form, they were prepared to concede that they provided a favorable climate in which to negotiate. Two top union officials—Leonard Wood-

cock, UAW vice president and chief of the union's GM Dept., and Ken Bannon, director of the UAW Ford Dept.—admitted that they liked certain tenets of the offer; that the step was in the right direction but the stride wasn't long enough. Observers felt that a settlement would draw much nearer if the companies sweeten the pot.

They can probably do it. Ford has admitted that it has had to pay only two-thirds of its maximum into the SUB fund since 1958. When the trust is fully funded no payments are made into it; otherwise the companies pay 5¢/hr. for each worker. General Motors has paid 50% of its maximum in recent years, according to the union.

The industry will arrive at the Aug. 31 deadline with its lowest dealer stockpile in 18 months. It is estimated that a minimum of 200,000 cars dropped out of dealer inventory this month, leaving only 650,000 or so cars in dealer showrooms at contract expiration.

Whereas August's assembly schedule was for only about 180,000 units, September schedules call for nearly 500,000 assemblies. It appears then that

automakers are not overly concerned about the possibility of a strike—or else they would have scheduled a stronger August to stockpile cars with dealers.

Another point: General Motors and Ford spokesmen last week forecast production of close to 7-million 1962 models in the coming season. To attain such a figure, labor peace must be guaranteed.

In addition, the industry offer was just about what Labor Secy. Arthur Goldberg said he would consider a non-inflationary wage offer: 6¢ to 7¢/hr. If labor asks for more, it may not get the support of the Administration, and it is doubtful the union would risk a strike without its support.

Chances were that even if the UAW called a strike, it would not occur this week. The contract would probably be extended on a day-to-day basis over the Labor Day holiday weekend to make workers eligible for holiday pay, and giving negotiators added time.

UAW members receive eight hours pay for not working Labor Day but the contract stipulates that they must work the day preceding and the day following to be eligible.

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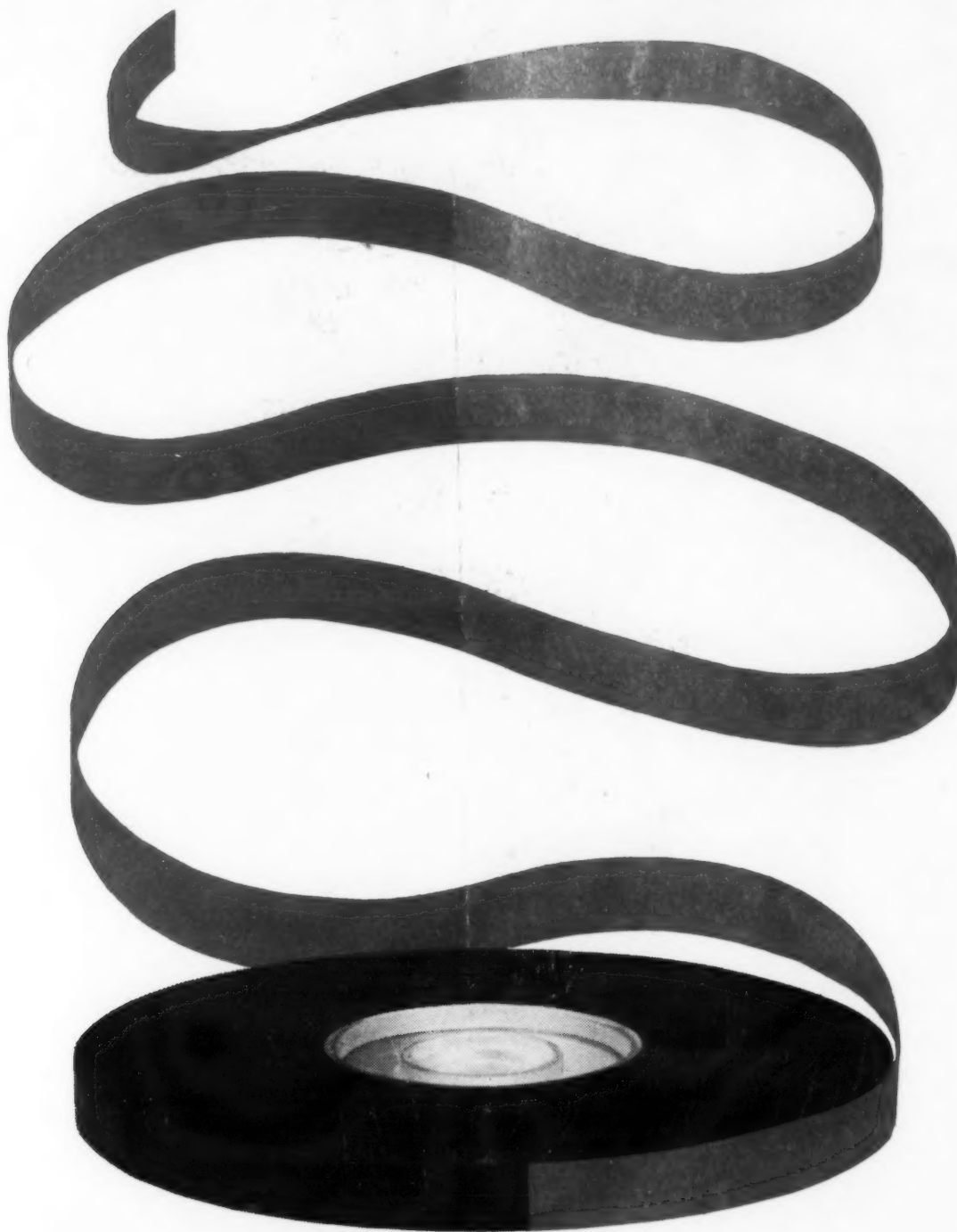
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